



NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

E-mail: ghayes@newfoundlandpower.com

2017-02-03

Mr. Gerard Hayes
Newfoundland Power Inc.
55 Kennmount Road
P.O. Box 8910
St. John's, NL A1B 3P6

Dear Mr. Hayes:

Re: Newfoundland Power Inc. – Net Metering Application – Requests for Information

Enclosed are Requests for Information (RFIs) PUB-NP-001 to PUB-NP-015 regarding the above-noted application.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, jglynn@pub.nl.ca or by telephone 709-726-6781.

Sincerely,

Cheryl Blundon
Board Secretary

CB/ej

ecc **Newfoundland & Labrador Hydro**
Ms. Tracey Pennell, E-mail: traceypennell@nlh.nl.ca
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Vale Newfoundland and Labrador Limited
Mr. Thomas O'Reilly, Q.C., E-mail: toreilly@coxandpalmer.com
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Teck Resources Limited
Mr. Larry Bartlett, E-mail: larry.bartlett@teck.com

1 **IN THE MATTER OF**
2 the *Electrical Power Control Act, 1994*,
3 SNL 1994, Chapter E-5.1 (the “*EPCA*”)
4 and the *Public Utilities Act, RSNL 1990*,
5 Chapter P-47 (the “*Act*”), as amended; and
6
7 **IN THE MATTER** of an application by
8 Newfoundland Power Inc. to approve
9 a net metering service option for customers.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NP-001 to PUB-NP-015

Issued: February 3, 2017

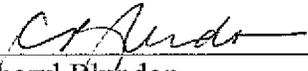
- 1 **PUB-NP-001** On page 9 of Newfoundland Power's evidence, it states:
2
3 *The Framework, however, contemplates a significant degree of*
4 *flexibility and discretion to a utility in a number of critical areas of*
5 *net metering service design. This includes (i) customer eligibility*
6 *criteria, (ii) technical connection requirements and (iii) utility*
7 *recovery of connection costs.*
8
9 Please advise if Newfoundland Power believes that the use of a rate,
10 other than the retail rate, for the annual settlement of credits is within the
11 utility's discretion and would be consistent with the provincial Net
12 Metering Policy Framework.
13
- 14 **PUB-NP-002** Please identify the components of Newfoundland Power's Net Metering
15 Service Option which are not consistent with the provincial Net Metering
16 Policy Framework.
17
- 18 **PUB-NP-003** On page iv of Navigant's Executive Summary, it states:
19
20 *We recommend that the customer's net consumption be billed using*
21 *the tariffs which would normally apply to a customer of the same*
22 *size, type and location and that the customer be compensated for*
23 *excess power at the same rate, unless the Government chooses to*
24 *introduce a different rate for power produced from renewable*
25 *sources.*
26
27 Please confirm that using the retail rate, as provided for in the provincial
28 Net Metering Policy Framework, for the annual settlement of credits
29 would be more reflective of Navigant's recommendation.
30
- 31 **PUB-NP-004** Please confirm if the use of a rate, other than the retail rate, for the annual
32 settlement of credits was discussed with government during
33 Newfoundland Power's consultations on the provincial Net Metering
34 Framework.
35
- 36 **PUB-NP-005** Please advise for each the Canadian jurisdictions which provide for a
37 cash payment for energy credits (BC, AB, MB, NS and Yukon) if the
38 utilities and/or the regulators were provided direction from their
39 respective provincial governments as to the rate that should be used.
40
- 41 **PUB-NP-006** What impact, if any, will the use of the retail rate for the annual
42 settlement of credits have on customers who are not participating in the
43 Net Metering Service Option compared to the rate Newfoundland Power
44 has proposed?

- 1 **PUB-NP-007** Newfoundland Power states that using the 2nd block Utility Rate in the
 2 annual settlement of credits ensures that Newfoundland Power pays a
 3 reasonable approximation of system marginal energy costs for
 4 accumulated energy credits. How will Newfoundland Power address the
 5 net metering rate if there are changes in marginal energy costs which can
 6 only be reflected in the utility rate through a general rate application?
 7
- 8 **PUB-NP-008** Where changes in the utility rate are approved by the Board over the
 9 course of the year, which rate(s) would be used in determining the
 10 amount of the compensation for net excess generation?
 11
- 12 **PUB-NP-009** The Net Metering Policy Framework states at page 2:
 13
 14 *Therefore, the primary driver for a net metering policy in*
 15 *Newfoundland and Labrador is not to encourage the development of*
 16 *renewable energy, but to provide customers with the option to offset*
 17 *their own energy usage through small-scale renewable generation*
 18 *they develop themselves.*
 19
- 20 Would the annual expiration of the net excess generation better
 21 accomplish this primary driver than annual compensation for the net
 22 excess generation? Did Newfoundland Power consider this option to
 23 “zero out” any unused credits?
 24
- 25 **PUB-NP-010** Please explain why the rate to be applied to the annual settlement of
 26 credits should be different than the rate applied for monthly billings for
 27 the value of the energy supplied from customer-owned generating
 28 sources.
 29
- 30 **PUB-NP-011** Please provide an example of the annual settlement of credits, including
 31 monthly billings, for a customer that has excess credits at the end of the
 32 12-month period and for a customer that does not have excess credits.
 33 Please ensure the monthly billings for each customer also include months
 34 where there are excess credits generated and months where there are not.
 35
- 36 **PUB-NP-012** Given anticipated changes in the near future, including a marginal cost
 37 review, a cost of service review and interconnection, please provide an
 38 opinion in relation to the benefits and disadvantages of implementing a
 39 net metering program at this time which is in accordance with the Net
 40 Metering Policy Framework and to allow full consideration of the
 41 alternative approaches in relation to compensation for net excess
 42 generation following the completion of the reviews.
 43
- 44 **PUB-NP-013** Please confirm that a net metering customer cannot use energy generated
 45 to pay its basic customer charge and regardless of energy generated and
 46 used, will receive a monthly bill to reflect, at least, the basic customer
 47 charge.

- 1 **PUB-NP-014** What is the magnitude of excess energy that could be expected from an
2 individual participant given the limits placed on the size of the
3 installation?
4
- 5 **PUB-NP-015** Please provide details of Newfoundland Power's monitoring and
6 assessment plan for its Net Metering Service Option.

DATED at St. John's, Newfoundland this 3rd day of February 2017.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 
Cheryl Blundon
Board Secretary