

IN THE MATTER OF the *Electrical Power Control Act*, R.S.N.L. 1994, Chapter E-5.1 (the “EPCA”) and the *Public Utilities Act*, R.S.N.L. 1990, Chapter P-47 (the “Act”) and regulations thereunder;

AND IN THE MATTER OF Board Order No. P.U. 43(2017) in relation to Newfoundland and Labrador Hydro’s (“Hydro”) 2018 Capital Budget Application;

AND IN THE MATTER OF the Network Additions Policy Review, dated October 1, 2018; the Labrador Interconnected System – Network Additions Policy dated December 14, 2018; the Labrador Interconnected System Transmission Expansion Study dated October 31, 2018; the Labrador Interconnected System Transmission Expansion Study Revision 1 dated November 5, 2018; and the Labrador Interconnected System Transmission Expansion Study Revision 2 dated April 3, 2019, filed by Hydro.

REQUESTS FOR INFORMATION OF THE ISLAND INDUSTRIAL CUSTOMERS GROUP

IC-NLH-001 to IC-NLH-006

Issued June 11, 2020

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- 4 **IC-NLH-001** Please discuss whether the principles being debated will have current
5 or future potential precedent value for revising the cost contribution
6 provision for supply on the Island as a whole or specific geographic areas
7 on the Island where transmission may be limited.
- 8 **IC-NLH-002** Where reliable service can be provided for a large percentage of the year
9 in Labrador East or Labrador West on a firm basis but Hydro cannot
10 provide firm service for a small number of peak hours, is it Hydro’s

1 expectation that a fair rate for year-round service could be made up of a
2 low price interruptible tariff year-round? Would this type of tariff
3 undervalue the resource being received by the customer?

4 **IC-NLH-003** Other than lost revenue, what benefits or adverse impacts arise for
5 Hydro and other customers from offering an interruptible tariff in months
6 when highly reliable firm service is expected to be delivered to the
7 customer?

8 **IC-NLH-004** Please provide references tied to either the regulatory history in the
9 Province, or literature on rate regulation generally, regarding the
10 entitlement of existing customer to be protected from new loads that
11 would drive up costs.

12 **IC-NLH-005** Is it Hydro's view that the "but for" approach risks having new customers
13 that are in all substantive ways alike, being treated in a different manner
14 simply because of the timing in which they joined the system? Does this
15 result in different treatment for like customers, which is normally viewed
16 as inconsistent with good ratemaking practice?

17 **IC-NLH-006** **Reference: Slide 26**

18 Please provide the incremental financial impacts on existing customers
19 in Labrador East, in Labrador West, and (post-Muskrat) on the Island
20 from a large cryptocurrency customer locating in a place where it can
21 take significant quantities of Labrador power at firm service. Please also
22 provide the same analysis at interruptible service. In this analysis,
23 please assume that the power supplies would otherwise be available for
24 export under the most reasonable long-term export pricing and path.

DATED at St. John's, in the Province of Newfoundland and Labrador, this

18

day of

June, 2020.

POOLE ALTHOUSE

Per: 

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Per: 

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Per: 

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