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December 5, 2013

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Via Electronic Mail and Courier

Newfoundland and Labrador Board
of Commissioners of Public Utilities
120 Torbay Road
P.O. Box 21040
St. John's, NL A1A 5B2

**Attention: Ms. G. Cheryl Blundon, Director of Corporate Services
and Board Secretary**

Dear Ms. Blundon:

**Re: Newfoundland and Labrador Hydro — Application, received November 18, 2013,
for approval of customer electricity rates for 2014 on an interim basis, or in the
alternative, for a deferral and recovery mechanism**

Please find enclosed the original and twelve (12) copies of the Requests for Information IR-IC-NLH-6 to IR-IC-NLH-14 of the Island Industrial Customers in the above Application.

We trust you will find the enclosed to be in order.

Yours truly,

Stewart McKelvey

Paul L. Coxworthy

PLC/kmcd

Enclosure

- c. Geoffrey P. Young, Senior Legal Counsel, Newfoundland and Labrador Hydro
- Thomas J. Johnson, Consumer Advocate
- Gerard Hayes, Newfoundland Power
- Dean A. Porter, Poole Althouse
- Thomas O'Reilly, Q.C., Vale Newfoundland and Labrador Limited
- Edward M. Hearn QC, Miller & Hearn
- Nancy Kleer, Olthuis, Kleer, Townshend LLP
- Yvonne Jones, MP, Labrador

IN THE MATTER OF the *Electrical Power Control Act*, SNL 1994, Chapter E-5.1 (the "EPCA" and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the "Act") and Regulations thereunder; and

IN THE MATTER OF an Application by Newfoundland and Labrador Hydro, pursuant to Sections 70 and 75 of the Act, for the approval of customer electricity rates for 2014 on an interim basis or, in the alternative, for a deferral and recovery mechanism.

ISLAND INDUSTRIAL CUSTOMERS
REQUESTS FOR INFORMATION
IR-IC-NLH-6 TO IR-IC-NLH-14

Issued: December 5, 2013

IN THE MATTER OF the *Electrical Power Control Act*, SNL 1994, Chapter E-5.1 (the "EPCA" and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the "Act") and Regulations thereunder; and

IN THE MATTER OF an Application by Newfoundland and Labrador Hydro, pursuant to Sections 70 and 75 of the Act, for the approval of customer electricity rates for 2014 on an interim basis or, in the alternative, for a deferral and recovery mechanism.

REQUESTS FOR INFORMATION OF THE ISLAND INDUSTRIAL CUSTOMERS



IR-IC-NLH-6 to IR-IC-NLH-14

- IR-IC-NLH-6 Please provide detailed calculations of the Return on Rate Base values shown in Table 1 of the Interim Rates submission, including the assumed revenue requirement (showing each major cost item, the rate base, and the return on rate base) and the precise composition of revenues, by class, for each of the 4 values.
- IR-IC-NLH-7 Please confirm, as per the filing of October 15, 2013, that the industrial RSP fuel rider, absent any new Board order as of January 1, 2014, would be 14.85 mills/kW.h.
- IR-IC-NLH-8 Please also confirm that the industrial RSP fuel rider as of January 1, 2014 would be negative 1.17 mills/kW.h if the base rates were adjusted so as to incorporate \$108.70/bbl fuel. Please confirm this is a difference of 16.02 mills/kW.h.
- IR-IC-NLH-9 Please confirm that under Hydro's proposed interim rate, the total annualized revenues from the industrial class for 2014 would be \$40.136 million, as per IR PUB-NLH-001.
- IR-IC-NLH-10 Please confirm that the total annualized revenues per IR-IC-NLH-9 includes setting base rates using a \$108.70/bbl fuel price and not the 2007 GRA fuel price.
- IR-IC-NLH-11 Please confirm that if Hydro retained the industrial rates as per the 2007 GRA, but increased the energy charge base rate by 16.02 mills/kW.h (equal to the proposed RSP impact of \$108.70/bbl fuel

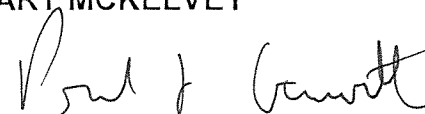
- 1 as compared to \$55.40/bbl fuel), the total revenues to Hydro from
2 the industrial class base rates would be \$39.405 million (\$7.074
3 million for demand charges, \$31.646 million for energy charges,
4 and \$0.684 million for specifically assigned charges).
- 5 **IR-IC-NLH-12** On the basis of the above two values (\$40.136 million per Hydro's
6 application, and \$39.405 million per an approach that only builds
7 the new fuel price into base rates) please explain in detail why this
8 approach to interim rates is not a close proxy to Hydro's
9 application, without the need to address a broad range of
10 contentious items that have not yet been subjected to expert
11 submissions or negotiation.
- 12 **IR-IC-NLH-13** Notwithstanding Hydro's objection about the failure of the approach
13 proposed by (IR-)IC-NLH-3 to provide the requested relief, please
14 respond to (IR-)IC-NLH-3 with the rate design that would be
15 imposed if only shortfalls related to fuel price were approved for
16 inclusion in base rates as of January 1, 2014.
- 17 **IR-IC-NLH-14** Please provide Hydro's latest RSP report, and provide an estimate
18 of the "current portion" RSP adjustment that would apply to
19 industrials as at January 1, 2014.

DATED at St. John's, in the Province of Newfoundland and Labrador, this 5th day
of December, 2013.

POOLE ALTHOUSE

Per: 
 Dean A. Porter

STEWART MCKELVEY

Per: 
Paul L. Coxworthy

TO: The Board of Commissioners of Public Utilities
Suite E210, Prince Charles Building
120 Torbay Road
P.O. Box 21040
St. John's, NL A1A 5B2
Attention: Board Secretary

TO: Newfoundland & Labrador Hydro
P.O. Box 12400
500 Columbus Drive
St. John's, NL A1B 4K7
Attention: Geoffrey P. Young,
Senior Legal Counsel

TO: Thomas Johnson, Consumer Advocate
O'Dea, Earle Law Offices
323 Duckworth Street
St. John's, NL A1C 5X4

TO: Newfoundland Power Inc.
P.O. Box 8910
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St. John's, NL A1B 3P6
Attention: Gerard Hayes,
Senior Legal Counsel

TO: Cox & Palmer
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Attention: Edward M. Hearn Q.C.

TO: Olthuis, Kleer, Townshend LLP
229 College Street, 3rd Floor
Toronto ON M5T 1R4
Attention: Nancy J. Kleer

TO: House of Commons
Confederation Building
Room 682
Ottawa, ON K1A 0A6
Attention: Yvonne Jones, Member of Parliament, Labrador