



June 26, 2014

Ms. G. Cheryl Blundon
Board of Commissioners of Public Utilities
120 Torbay Road, P.O. Box 12040
St. John's, NL A1A 5B2

Dear Ms. Blundon:

Re: Second Application by Newfoundland and Labrador Hydro pursuant to Sections 70 and 75 of the Public Utilities Act for the interim approval of customer electricity rates for 2014 pursuant to Order No. P.U. 13 (2014)

Re: Requests for Information SIR-CA-NLH-8 to SIR-CA-NLH-13

In relation to the above noted Application, please find enclosed the original and twelve (12) copies of the Requests for Information SIR-CA-NLH-8 to SIR-CA-NLH-13.

A copy of the letter, together with enclosures, has been forwarded directly to the parties listed below.

If you have any questions regarding the filing, please contact the undersigned at your convenience.

Yours very truly,

O'DEA, EARLE



THOMAS JOHNSON

TJ/cel

Encl.

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

Newfoundland Power
P.O. Box 8910
55 Kenmount Road



St. John's, NL A1B 3P6
Attention: Gerard Hayes, Senior Legal Counsel

Vale Newfoundland and Labrador Limited
c/o Cox & Palmer
Suite 1000, Scotia Centre
235 Water Street
St. John's, NL A1C 1B6
Attention: Thomas J. O'Reilly, Q.C.

Corner Brook Pulp & Paper Limited,
c/o Stewart McKelvey
Cabot Place, 100 New Gower Street
P.O. Box 5038
St. John's, NL A1C 5V3
Attention: Paul Coxworthy

Miller & Hearn
PO Box 129
450 Avalon Drive
Labrador City, NL A2V 2K3
Attention: Ed Hearn, Q.C.

Olthuis, Kleer, Townshend LLP
229 College Street
Suite 312
Toronto, ON
M5T 1R4
Attention: Senwung Luk

House of Commons
Confederation Building, Room 682
Ottawa, ON K1A 0A6
Attention: Yvonne Jones, MP Labrador/Christian von Donat

IN THE MATTER OF

the *Electrical Power Control Act, 1994*, RSNL 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

a second Application by Newfoundland and Labrador Hydro, pursuant to Sections 70 and 75 of the Act, for the interim approval of customer electricity rates for 2014 pursuant to Order No. P.U. 13(2014) (the "*Application*").

**CONSUMER ADVOCATE
REQUESTS FOR INFORMATION
SIR-CA-NLH-8 to SIR-CA-NLH-13**

Issued: June 26, 2014

1
2 SIR-CA-NLH-8 (June 19, 2014 Presentation entitled Settlement Discussions –
3 Second Interim Rate Application) It is stated (slide 6) “*Absent*
4 *other information, Hydro’s current financial forecast signals a*
5 *fiduciary obligation to cut costs*”. If the Second Interim Rates
6 Application is not approved, how will customers be impacted? For
7 example, would Hydro cut costs by eliminating programs, and if
8 so, which programs would be cut (i.e., would Hydro be forced to
9 renege on obligations relating to the Outage Inquiry), what cost
10 savings would result from the program cuts (i.e., would programs
11 totaling \$30 million in annual savings be cut), and what impact
12 would these program cuts have on customer service?
13
14 SIR-CA-NLH-9 (June 19, 2014 Settlement Discussions – Second Interim Rate
15 Application) At the settlement meeting, legal and/or regulatory
16 challenges to Hydro’s proposed Second Interim Rates Application
17 were posed by various Parties. Please provide a defense of why
18 Hydro’s proposal is not contrary to legal and/or regulatory
19 requisites in the Province.
20
21 SIR-CA-NLH-10 (June 19, 2014 Settlement Discussions – Second Interim Rates
22 Application). At the settlement meeting, issues were raised by the
23 Parties concerning the phase-in of IC rates, in particular, the
24 fairness of the proposal given the ramping up of IC load during
25 2014 (Vale and Praxair) and the reasonableness of drawing down
26 the RSP balance to fund the IC rate increase when a positive
27 balance is coincidentally building up in the load variation
28 component of the RSP. Is Hydro re-considering its proposal in
29 light of these issues, and if not, why not?
30
31 SIR-CA-NLH-11 Please provide Hydro’s current monthly forecast of demand and


1 energy for the September 2013 through December 2017 time frame
2 (include actuals when available) for NP, each industrial customer
3 and the IC class as a whole, and show forecast balances in the load
4 variation component of the RSP for NP and the IC class at the end
5 of each month based on the current allocation methodology, and
6 alternatively, on the methodology proposed in the 2013 GRA; i.e.,
7 on basis of load ratio share.
8

9 SIR-CA-NLH-12 In the 2013 GRA Hydro proposes a change in the allocation
10 methodology for the load variation component of the RSP; i.e., on
11 the basis of load ratio share. What does Hydro propose as the
12 effective date for the change in this allocation methodology?
13 Please provide Hydro's justification for choosing this date.
14

15 SIR-CA-NLH-13 What is the basis for Hydro's load forecast for Vale and Praxair?
16
17

18 Dated at St. John's in the Province of Newfoundland and Labrador, this 26th day of June,
19 2014.
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22
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24



25 Thomas Johnson
26 Consumer Advocate
27 323 Duckworth Street
28 St. John's, NL A1C 5X4
29 Telephone: (709) 726-3524
30 Facsimile: (709) 726-9600
31 Email: tjohnson@odeaearle.ca