

File Reference: SM3789-14

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June 2, 2014

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

**Attention: Ms. Cheryl Blundon,
Board Secretary**

Newfoundland Power Inc.
55 Kenmount Road
P.O. Box 8910
St. John's, NL A1B 3P6

**Attention: Mr. Gerard Hayes
Senior Legal Counsel**

Vale Newfoundland and Labrador Limited
Cox & Palmer
Scotia Centre, Suite 1000
235 Water Street
St. John's, NL A1C 1B6

Attention: Mr. Thomas O'Reilly, Q.C.

Innu Nation
Olthuis, Kleer, Townshend LLP
229 College Street, 3rd Floor
Toronto, ON M5T 1R4

Attention: Ms. Nancy Kleer

Newfoundland and Labrador Hydro
500 Columbus Drive
P.O. Box 12400
St. John's, NL A1B 4K7

**Attention: Mr. Geoffrey P. Young
Senior Legal Counsel**

O'Dea Earle Law Offices
323 Duckworth Street
P.O. Box 5955
St. John's, NL A1C 5X4

**Attention: Mr. Thomas Johnson
Consumer Advocate**

Towns Of Labrador City, Wabush, Happy
Valley-Goose Bay And North West River
Miller & Hearn
450 Avalon Drive, P.O. Box 129
Labrador City, NL A2V 2K3

Attention: Mr. Edward Hearn, Q.C.

Yvonne Jones, MP Labrador
Ottawa Confederation Building, Room 682
Ottawa, ON K1A 0A6

**Attention: Ms. Yvonne Jones
MP Labrador**

Dear Sirs/Madams:

**Re: Newfoundland and Labrador Hydro – Second application for the interim approval
of customer electricity rates for 2014**

This is further to the above application, and the Board's correspondence of May 21, May 23 and
May 27, 2014 regarding same.

Please find enclosed the original and 12 copies of the Requests for Information of the Island
Industrial Customers Group (IIC), namely Corner Brook Pulp and Paper Limited, North Atlantic
Refining Limited, and Teck Resources Limited, SIR-IIC-NLH-1 to SIR-IIC-NLH-7, for filing with
the Board.

June 2, 2014

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

Yours truly,

Stewart McKelvey



Paul L. Coxworthy

PLC/snt
Enclosures

e.c.c. Newfoundland & Labrador Hydro
Mr. Fred Cross, E-mail: fcross@airdberlis.com
Newfoundland Power Inc.
Mr. Liam O'Brien, E-mail: lobrien@curtisdawe.nf.ca
Consumer Advocate
Ms. Colleen Lacey, E-mail: clacey@odeaearte.ca
Corner Brook Pulp and Paper Limited, North Atlantic Refining Limited and Teck Resources
Mr. Dean Porter, E-mail: dporter@pa-law.ca
Vale Newfoundland and Labrador
Mr. Denis Fleming, E-mail: dfleming@coxandpalmer.com
Innu Nation
Mr. Senwung Luk, E-mail: sluk@oktlaw.com

IN THE MATTER OF the *Electrical Power Control Act*, 1994, 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 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")

REQUESTS FOR INFORMATION OF THE ISLAND INDUSTRIAL CUSTOMERS GROUP
SIR-IIC-NLH-1 TO SIR-IIC-NLH-7

- | | | |
|----|----------------------|---|
| 1 | SIR-IIC-NLH-1 | Confirm Hydro operates on a fiscal year based on the calendar |
| 2 | | year, and as result revenue credited in any period up to December |
| 3 | | 2014 is equally booked to 2014 income as revenue credited in |
| 4 | | earlier months, such as June 2014. |
| 5 | SIR-IIC-NLH-2 | Per Appendix A Forecast Income Statement of the Application – |
| 6 | | please provide a balance sheet and cash flow for 2014 the same |
| 7 | | scenarios (proposed rates and existing rates). |
| 8 | SIR-IIC-NLH-3 | Please confirm that the RSP report in Appendix B of the |
| 9 | | Application continues to reflect \$15.796 million owing to Industrial |
| 10 | | Customers pursuant to the load variation provision as of March |
| 11 | | 31, 2014. Please confirm that these amounts have not been |
| 12 | | applied in any way to the benefit of industrial customers in |
| 13 | | calculating the proposed interim rates. |
| 14 | SIR-IIC-NLH-4 | Please confirm that an approval of Hydro's interim rates proposal |
| 15 | | will lead to a total cash benefit to Hydro (recovery) of only |
| 16 | | approximately half of \$590,274 (Per Appendix A page 1 of the |
| 17 | | Evidence related to Hydro's Amended Interim Rates Application |
| 18 | | from February 2014 – approximately \$50,000 per month starting |
| 19 | | July 1, 2014). Please confirm all other proposed interim rates are |
| 20 | | non-cash effects. |
| 21 | SIR-IIC-NLH-5 | Please confirm industrial customers make up approximately 5% of |
| 22 | | total year-to-date loads for the RSP purposes. |
| 23 | SIR-IIC-NLH-6 | Please confirm that if the methods proposed by Hydro for |
| 24 | | allocation of the load variation provision from September 30, 2013 |
| 25 | | onwards were applied, as of March 30, 2014 industrial customers |
| 26 | | would be owed approximately \$750,000 from the Segregated |
| 27 | | Load Variation provision (i.e. 5% of \$15 million), increasing by |

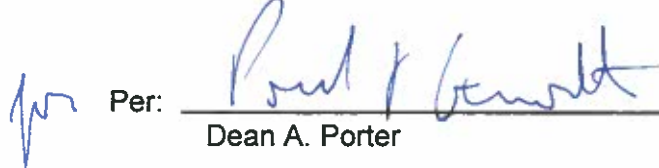
approximately \$100,000 per month (5% of \$2 million approximate monthly adjustment).

SIR-IIC-NLH-7


Please confirm that if the Board eliminated the RSP Load Variation provision starting January 1, 2014, the industrial customers would be owed approximately \$8.2 million from the Segregated Load Variation Provision that accrued prior to December 31, 2013.

DATED at St. John's, this 2nd day of June, 2014.

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: Ms. Cheryl Blundon
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