

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. for an order pursuant
9 to Sections 41 and 78 of the Act:
10 (a) approving a 2015 Capital Budget of \$94,211,000;
11 (b) approving certain capital expenditures related to
12 multi-year projects commencing in 2015; and
13 (c) fixing and determining a 2013 rate base of \$915,820,000.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NP-1 to PUB-NP-10

Issued: July 18, 2014

1 **General**

2

3 **PUB-NP-1** In addition to inspections by internal personnel, does Newfoundland Power
 4 regularly employ outside expertise to inspect its hydro plant infrastructure and are
 5 these inspections carried out on a regular basis?

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7 **2015 Capital Plan, page A-1**

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9 Over the past three-year period the following capital budget amounts were approved by the
 10 Board:

12 2012 Capital Budget Application 77,293,000 Order No. P.U. 26(2011)
 13 2013 Capital Budget Application 80,788,000 Order No. P.U. 31(2012)
 14 2014 Capital Budget Application 84,462,000 Order No. P.U. 27(2013)

16 The upcoming five years are forecast to be:

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$94,211,000	\$106,755,000	\$97,751,000	\$93,252,000	\$94,684,000

22 **PUB-NP-2** Using the rate of return on rate base and the operating expenses for the 2013 and
 23 2014 test years, and setting out any other reasonable assumptions, please calculate
 24 the impact on the revenue requirement for each of the upcoming five years that
 25 can be attributed directly to the forecast capital expenditures for that period.

27 **PUB-NP-3** Other than the impact on revenue requirement, what other implications would
 28 there be for customers of the increased magnitude of the annual capital budgets?

30 **Schedule B, Page 6 of 97**

31

32 **Pierre's Brook Plant Penstock and Surge Tank (Pooled, Multi-Year),**
 33 **2015 - \$750,000 2016 - \$13,530,000**

35 **PUB-NP-4** In view of the Muskrat Falls Hydroelectric Project please calculate the levelized
 36 cost of energy if the recovery period is four years, to 2018, and seven years, to
 37 2021.

39 **4.1 Distribution Reliability Initiative**

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41 Page 1 of the report states "In 2012 the Canadian Electricity Association began reporting on 2
 42 additional indices; Customer Hours of Interruption per Kilometer ("CHIKM") and Customers
 43 Interrupted per Kilometer ("CIKM"). CHIKM and CIKM are used to rank the reliability
 44 performance of distribution feeders on the length of line exposed to the outage."

1 **PUB-NP-5** Please provide any internal or external studies Newfoundland Power depended on
2 when making the decision to utilize these new indices.
3

4 **PUB-NP-6** Describe how Newfoundland Power uses these new indices either by themselves
5 or in conjunction with other indices to rank its feeders when deciding where it
6 should allocate its capital for the maximum leverage.
7

8 **PUB-NP-7** Are CIKM and CHIKM going to be the new standards used by Newfoundland
9 Power for all future performance rankings as it relates to distribution and would
10 these statistics be reported in its Quarterly Reports?
11

12 **PUB-NP-8** Does the Canadian Electricity Association provide an industry average statistic for
13 both CIKM and CHIKM? If yes, please provide. If no, why not.
14

15 **4.4 Burin AMR Project**
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17 Page 3 of the report states "By replacing the remaining 4,000 non-AMR meters with AMR
18 meters and utilizing the new mobile collector technology, the average route size in Burin area
19 will increase to approximately 3,000 meters per route. As a result, the number of meter reading
20 routes required to read all 11,000 meters will reduce to 4 routes."
21

22 **PUB-NP-9** Please explain how the reading of the 4 new routes will be scheduled, including
23 any contingencies in place to deal with a meter reader being unavailable for a
24 regularly scheduled route.
25

26 **PUB-NP-10** Is it expected that 100% penetration of AMR meters in Burin will totally eliminate
27 the need to periodically estimate bills in this area? If no, please explain the
28 situations where bill estimations may still be required.

DATED at St. John's, Newfoundland this 18th day of July, 2014.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per Cheryl Blundon
Cheryl Blundon
Board Secretary