

September 10, 2025

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

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

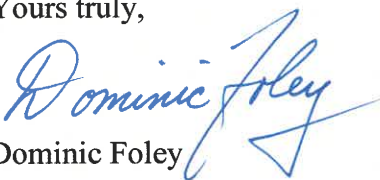
Dear Ms. Galarneau:

**Re: Newfoundland and Labrador Hydro – Application for Approval of a Proposed
General Expenses Capitalized Deferral Account**

Please find enclosed Newfoundland Power's Requests for Information NP-NLH-001 to
NP-NLH-009 in relation to the above-noted Application.

If you have any questions regarding the enclosed, please contact the undersigned.

Yours truly,


Dominic Foley
Legal Counsel

ec. Shirley Walsh
Newfoundland & Labrador Hydro

Paul Coxworthy
Stewart McKelvey

Senwung F. Luk
Olthuis Kleer Townshend LLP

Sheryl Nisenbaum
Linde Canada Inc.

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Shawn Kinsella
Teck Resources Limited

Glen Seaborn
Poole Althouse

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

IN THE MATTER OF an application by Newfoundland and Labrador Hydro (“Hydro”) pursuant to Sections 58 and 80 of the *Act*, for the approval of a deferral account to enable the deferral and recovery of capital-related general expenses (the “Application”).

**Requests for Information by
Newfoundland Power Inc.**

NP-NLH-001 to NP-NLH-009

September 10, 2025

Requests for Information

- NP-NLH-001 In its June 27, 2025 letter to the Board *Re. Quarterly Update – Items Impacting the Delay of Hydro’s Next General Rate Application (“GRA”)*, Hydro provides that information necessary to file its next GRA, related to the commissioning of the Muskrat Falls Project and rate mitigation, was available by May 2024.
- Please confirm that Hydro’s decision to delay the filing of its GRA beyond 2025 is not dependent on any external factors, such the commissioning of the Muskrat Falls Project or rate mitigation. If this cannot be confirmed, please explain.
- NP-NLH-002 In each of its quarterly updates to the Board regarding the filing of its next GRA from July 2024 to March 28, 2025, Hydro provided that it planned to file its next GRA by the end of 2025.
- Would a GRA filed by the end of 2025 have included a 2025 test year and consideration of costs outlined in the Application?
- NP-NLH-003 In its June 27, 2025 letter to the Board *Re. Quarterly Update – Items Impacting the Delay of Hydro’s Next GRA*, Hydro indicated it is now preparing to file its next GRA in the first quarter of 2026.
- Please provide the expected test years upon which Hydro intends to base its next GRA filing.
- NP-NLH-004 Please discuss the likelihood of Hydro filing its next GRA in the first quarter of 2026. As part of the response, please outline the factors that may delay the GRA filing beyond that timeline and what steps Hydro is taking to mitigate against any further delay.
- NP-NLH-005 In the transmittal letter filed with the Application, Hydro states, *“In the interest of regulatory efficiency, Hydro is submitting an application in advance of its next GRA to establish the new General Expenses Capitalized Deferral Account, effective as of January 1, 2025.”*
- Please explain why the deferral and recovery of capital-related general expenses effective as of January 1, 2025 as opposed to effective as of January 1, 2026 is necessary in the interest of regulatory efficiency associated with Hydro’s next GRA.

NP-NLH-006

Application, Schedule 1, Table 1.

Please complete the following table to detail Hydro's overhead capitalization amounts for each of 2025 forecast and 2026 forecast associated with the general expenses to be capitalized as part of this Application, as well as to provide Hydro's capitalization percentages associated with those general expenses. Please also include estimates for 2019 (the year of the utility survey results) if Hydro's proposed methodology was used for that year.

	2025 Forecast	2026 Forecast	2019 Estimated
Major Projects			
Engineering Services			
Regulatory Affairs			
Supply Chain			
Finance, Human Resources and Information Services			
Production Operations			
Transmission and Rural Operations			
Total General Expenses Capitalized			
Capital Spend			
General Expenses Capitalized Rate			

NP-NLH-007

Application Schedule 1, Table 1 and page 3, lines 2-9.

Please complete the following table to detail Hydro's overhead capitalization amounts for each of 2025 forecast and 2026 forecast, as well as to determine Hydro's overall overhead capitalization percentages. Please also include estimates for 2019 if Hydro's proposed methodology was used for that year.

	2025 Forecast	2026 Forecast	2019 Estimated
Major Projects			
Engineering Services			
Regulatory Affairs			
Supply Chain			
Finance, Human Resources and Information Services			
Production Operations			
Transmission and Rural Operations			
Interest During Construction			
Vehicle Charge Outs			
Other (please specify)			
Total Capitalized Overheads			
Capital Spend			
Overhead Capitalization Rate			

NP-NLH-008

Application, Schedule 1, page 3, lines 13-19.

Hydro states that Major Projects is a department created for the planning, management and execution of major capital projects, such as the Bay d'Espoir Unit 8 ("BDE Unit 8") and Avalon Combustion Turbine ("Avalon CT") projects.

In Hydro's application for the capital expenditures related to early execution capital work for BDE Unit 8 and the Avalon CT, Hydro stated it was not seeking cost recovery for the expenditures proposed in that application.

Please confirm that, as a part of this Application, Hydro is seeking deferred recovery of costs related to these projects, effective January 1, 2025. If it is confirmed, please explain why Hydro's approach differs

between capital cost recovery and operating cost recovery associated with these major projects. If it is not confirmed, please explain.

NP-NLH-009

Application, Schedule 1, page 3, lines 13-19.

- a) When was the Major Projects department created?
- b) Please complete the following table, detailing the operating costs and full-time equivalents (“FTEs”) for the Major Projects department for the 2019 Test Year, 2019 to 2024 actuals, and 2025 and 2026 forecasts. For time periods that the department did not exist, please estimate what amount of operating costs would have been related to “major projects” for that year as defined by Hydro.

Hydro Major Projects Department Operating Costs				
	2019 Test Year	2019 Actual	...	2026 Forecast
Labour				
Non-Labour				
Total				
FTEs				

- c) Please provide a listing of each separate project, initiative, or other work item that the Major Projects department FTEs have worked on since the department’s creation and forecast to 2026. For each item, please explain its relation to Hydro’s regulated operations.

RESPECTFULLY SUBMITTED at St. John’s, Newfoundland and Labrador, this 10th day of September, 2025.



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