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September 21, 2026

Via Electronic Mail

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

Attention: Mr. Mike McNiven, Board Secretary

Dear Mr. McNiven:

**Re: Newfoundland and Labrador Hydro 2026 General Rate Application
Requests for Information of the Island Industrial Customer Group**

On behalf of the Island Industrial Customer Group, please find enclosed Requests for Information IIC-NLH-026 to IIC-NLH-039, dated September 21, 2026, in relation to the above-noted Application.

We trust the above and enclosed to be in order.

Yours truly,

Stewart McKelvey

Dana Constantine

DC/bm

Enclosures

- c. Glen G. Seaborn
Denis J. Fleming

Public Utilities Board

Jacqui Glynn
Ryan Oake
Mike McNiven
Colleen Jones
Board Record
Michael Collins

4128-1196-5038

Newfoundland and Labrador Hydro
Shirley Walsh
Daniel Simmons
NLH Regulatory

Newfoundland Power Inc.
Dominic Foley
Douglas Wright
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Adrienne H. Y. Ding
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Consumer Advocate General

Labrador Interconnected Group
Nicholas E. Kennedy, Olthius Kleer Townshed LLP

Iron Ore Company of Canada
Gregory A. C. Moores, Stewart McKelvey

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

IN THE MATTER OF a general rate application by Newfoundland and Labrador Hydro to establish customer electricity rates for 2027.

**ISLAND INDUSTRIAL CUSTOMER GROUP
REQUESTS FOR INFORMATION**

IIC-NLH-026 to IIC-NLH-039

Issued: September 21, 2026

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

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**REQUESTS FOR INFORMATION OF THE
ISLAND INDUSTRIAL CUSTOMER GROUP**

IIC-NLH-026 – IIC-NLH-039

ISSUED: September 21, 2026

IIC-NLH-026 Reference: Request for Information PUB-NLH-048(b).

Hydro states that prior to filing the 2026 General Rate Application, Hydro's Regulatory Affairs team engaged with legal counsel representing the Island Industrial Customer Group regarding proposed changes to the Island Industrial customer rate design. In addition, information regarding the proposed changes to the Island Industrial Customer Rate Structure was shared with Hydro's Island Industrial customers through Hydro's Key Accounts function.

(a) Please provide the dates of each engagement with legal counsel for the IIC Group referenced in the response to PUB-NLH-0048(b).

(b) Please provide copies of the material that was shared with the Island Industrial customers through Hydro's Key Accounts function, redacted as required to remove any customer-specific information.

(c) Please provide a summary, including dates and parties in attendance, of any other engagement Hydro had with Island Industrial Customers with respect to the proposed industrial rate prior to filing the General Rate Application.

IIC-NLH-027 Reference: Requests for Information IIC-NLH-001(a)(iii) and IIC-NLH-007(b).

Hydro states its proposed changes to the Island Industrial rate structure are limited to those necessary as a result of No. 6 fuel at the Holyrood Thermal Generating Station no longer reflecting the marginal energy cost on the Island Interconnected System. Hydro is proposing an energy blocking structure in which the marginal price is based on Hydro's test year average unit value of exports.

41 Hydro also states it is not proposing to permit customers to set their Power
 42 on Order such that the value varies by season or by month and that it would
 43 need to undertake a complete analysis of the impacts of allowing such
 44 changes to setting Power on Order.

45 (a) Would Hydro be amenable to establishing a working group with
 46 representatives from the Island Industrial Customer Group to
 47 explore improvements and alternatives to the proposed industrial
 48 rate design, along with other potential modifications to the Island
 49 Industrial rate structure that could be proposed in a future rate
 50 application? Why or why not?

51 **IIC-NLH-028** **Reference: Requests for Information IIC-NLH-003(c) and IIC-NLH-006,**
 52 **Attachment 1.**

53 Hydro's response to IIC-NLH-003(c) states the winter period is defined as
 54 from December through March because these are the months in which
 55 peak loads are likely to occur. The response also provides calculations of
 56 the winter-weighted average price and non-winter price assuming March
 57 were included as a non-winter month and that while such a change may be
 58 sensible in the future, Hydro would need to consider the impact of such a
 59 change on other rates and customers, Newfoundland Power in particular.

60 (a) With respect to the statement that that December through March
 61 are the months in which peak loads are likely to occur:

62 (i) Please clarify what Hydro means by "peak" in this context.
 63 Does it refer to the single highest peak hour in the year or some
 64 other definition of peak?

65 (ii) Based on the definition of "peak" provided in part (i), please
 66 provide the historical actual peak data that supports the
 67 statement that March is a month in which peak loads are likely
 68 to occur.

69 (b) Please provide copies of the tables in the response to IIC-NLH-006
 70 Attachment 1, assuming March is a non-winter month.

71 (c) Please elaborate on why including March as a non-winter month for
 72 the proposed Island Industrial rate would have an impact on other
 73 rates and customers if the rate is still designed to be revenue
 74 neutral to the Island Industrial class as a whole?

75 **IIC-NLH-029** **Reference: Request for Information IIC-NLH-012. Calculation of**
 76 **Specifically Assigned Charges.**

77 (a) Please provide the data, by year, supporting the six-year average
 78 of actual expenses recorded against specifically assigned assets
 79 for each Industrial customer, including the spending by year, and
 80 the activities undertaken. For each entry please describe why the

- 81 specific spending was Operations and Maintenance (“O&M”) and
82 not capital.
- 83 (b) Please provide a table showing the calculation of the portion of
84 direct O&M for each customer and the indirect O&M loader for each
85 customer as described in the response to IIC-NLH-012(a) and
86 shown in columns 4 through 6 of page 2 of 3 of Attachment 1 to the
87 response to IIC-NLH-012.
- 88 (c) Please describe the activities and/or nature of the work required for
89 each of:
- 90 (i) Vale, and;
- 91 (ii) North Atlantic Refining Ltd.
- 92 that leads to their respective O&M being 5 to 10 times higher than
93 other Island Industrial Customers.
- 94 (d) Please expand each of the tables provided in Attachment 1 of the
95 response to IIC-NLH-012 to show the rate base values used to
96 calculate the return on debt and return on equity, specifically
97 indicating the gross plant, the accumulated depreciation, the Net
98 Book Value (“NBV”), and any further adjustments to derive the rate
99 base values.
- 100 (e) Please provide an itemized list of the capital works undertaken, by
101 year, since the 2017 GRA that lead to the return on debt and return
102 on equity related to Vale’s specifically assigned assets increasing
103 from \$18,599 and \$8,189 respectively in 2019 (Page 3 of 3 of
104 Attachment 1 to IIC-NLH-012) to \$78,576 and \$48,816 in 2027
105 (Page 2 of 3 of Attachment 1 to IIC-NLH-012).
- 106 (f) Please provide versions of IIC-NLH-012, Attachment 2, pages 3
107 through 10 grouped by asset location (e.g., by transmission line and
108 by terminal station), separately for each individual Industrial
109 customer.
- 110 (g) Please provide the same information as in (f) for the 2017 GRA
111 (such as presented in IIC-NLH-103 Rev 3) and indicate the basis
112 for any differences.
- 113 (h) Please update Exhibit 1, Schedule II from the 2017 GRA, Revision
114 5, showing the Island Interconnected System Plant Assignment.
115 Please ensure to indicate the connection points for each industrial
116 customer, including Vale and Linde.
- 117 (i) Please provide a copy of the “Review of Industrial Customer
118 Specifically Assigned Assets” from December 21, 2017 (as revised
119 March 5, 2018).

- 120 (j) Please discuss the process Hydro uses to verify the assets itemized
 121 in the response to part (f) benefit only a single customer. In
 122 particular, please discuss whether the Long Harbour substation
 123 benefits more than one customer.
- 124 (k) Please discuss if there are any services largely performed by
 125 specifically assigned assets for some customers (for example
 126 power factor correction) that are provided by common assets for
 127 other customers.
- 128 (l) Is TL-208 still directly assigned to Vale? If yes, why is this line
 129 directly assigned if it serves both Vale and Linde?
- 130 (m) Is the terminal station assigned to Vale also used to serve Linde? If
 131 yes, please indicate how this asset meets the tests of being specific
 132 to service to one customer.
- 133 **IIC-NLH-030** **Reference: Request for Information PUB-NLH-002(c).**
- 134 (a) With reference to the table attached to the response, please confirm
 135 if the column headings marked A (e.g. 2020A, 2021A) reflect
 136 actuals and the column headings marked B (e.g. 2020B, 2021B)
 137 reflect forecasts.
- 138 (b) Please provide a version of the table that shows the dollar values
 139 associated with the variance between forecast and actual FTEs for
 140 each year in the table.
- 141 **IIC-NLH-031** **Reference: Requests for Information PUB-NLH-103 and CA-NLH-146.**
 142 **Wind-purchase classification ratios.**
- 143 (a) Please provide versions of Schedule F and Schedule G, assuming
 144 wind-purchases were classified between demand and energy
 145 based on the system load factor.
- 146 **IIC-NLH-032** **Reference: Requests for Information IIC-NLH-025 and CA-NLH-156.**
- 147 (a) Please provide the normal energy production by source (Island
 148 hydraulic, LIL, turbines, Holyrood, Exploits purchases, wind
 149 purchases, imports, etc.) for the 7,417 GW/h under (1) average flow
 150 conditions (including the anticipated dispatch of Holyrood for
 151 capacity reasons), and (2) severe drought conditions. Please
 152 assume normal unit available, and not the specific 2027 constraints
 153 related to BDE or other capital works.
- 154 (b) Under severe drought conditions, does the dispatch of Holyrood for
 155 capacity reasons increase (due to lower capacity available from
 156 hydraulic plants or other)? If so, what is the added energy that is
 157 generated from Holyrood due to this increase in capacity-related
 158 dispatch.

159 (c) If the Island hydraulic dispatch under firm drought flows is not
 160 approximately 3,961 GW/h, please indicate the reason for this
 161 change in value since the 2017 GRA, Exhibit 1, Schedule III.

162 **IIC-NLH-033** **Reference: Request for Information CA-NLH-147, Attachment 1.**

163 (a) Please provide a version of the Cost of Service Study ("COS")
 164 Schedules F1.2 and G1.2 corresponding to each scenario in
 165 Attachment 1.

166 **IIC-NLH-034** **Reference: Request for Information CA-NLH-158.**

167 (a) Please provide the 2025 and 2026 YTD energy-in-storage values
 168 (table or graph) as compared to the calculated minimum monthly
 169 resource storage limits. If the values for September to November
 170 2025 were not at the minimum monthly storage limit, please provide
 171 a detailed explanation for the use of Holyrood for reservoir support
 172 as discussed in CA-NLH-158.

173 (b) Please clarify the comments about 17% of 11%, and indicate how
 174 much energy was "injected" from Holyrood over and above the
 175 minimum capacity-driven operation.

176 (c) Please indicate the maximum LIL/UFLS constraint that was in place
 177 for the 2025 minimum monthly storage limits (i.e., did the
 178 development of this curve precede the full 900 MW rate capacity
 179 increase).

180 (d) Please provide the revised minimum monthly resource storage
 181 limits that would have applied in 2025 if the revised 900 MW LIL
 182 rated capacity had been in place at that time.

183 (e) Please confirm that all energy dispatch forecasts for the 2027 GRA
 184 test year are based on the full 900 MW rates LIL capacity.

185 **IIC-NLH-035** **Reference: Request for Information IIC-NLH-024.**

186 The response indicates non-firm or interruptible power is based on Hydro's
 187 "longstanding assessment of the amount of non-firm load that can be
 188 reasonable accommodated while preserving the fundamental
 189 characteristics of interruptible service and maintaining the priority of firm
 190 service" and "the objective is not to maximize the quantity of interruptible
 191 power available, but rather to establish a level of service that provides
 192 meaningful value to customers while remaining compatible with reliable
 193 system operations". Hydro also notes: "experience has demonstrated that
 194 non-firm capacity is a finite system resource that varies depending on
 195 operating conditions, generation availability, and system constraints".

196 (a) Please confirm that non-firm power drives no investment by Hydro
 197 in generation capacity, as the loads are not included in system peak
 198 for planning purposes.

- 199 (b) Please provide Hydro's definition of "meaningful value to
200 customers".
- 201 (c) Please indicate how raising the threshold from 5 MW to 10 MW per
202 customer would undermine or violate the quoted "assessment" or
203 "meaningful value" principles.
- 204 (d) Please indicate if Hydro has investigated alternatives where, under
205 the standard industrial rate schedule, any given industrial customer
206 can opt into providing a portion of their load as interruptible capacity
207 (e.g., Nova Scotia Power). If not, why not?
- 208 (e) Please explain the comment that interruptible load is a finite system
209 resource based on Hydro's experience. Is this not simply the case
210 because Hydro has not offered customers the chance to make
211 additional use of non-firm power?
- 212 (f) If there is an opportunity for customer electrification using non-firm
213 loads (which would not reduce firm loads, but simply add to load),
214 would this meet the definition of a clear distinction between firm and
215 non-firm loads that would permit a non-firm cutoff higher than 5
216 MW? If not, please explain why.
- 217 **IIC-NLH-036** **Reference: Request for Information PUB-NLH-007.**
- 218 (a) Please provide the information using a P90 (i.e. high load) forecast.
- 219 **IIC-NLH-037** **Reference: Request for Information PUB-NLH-055(a)**
- 220 (a) Why is the marginal capacity cost quote in \$/MWh as opposed to
221 \$/MW at Coincident Peak ("CP")?
- 222 (b) Please provide the marginal cost of capacity in \$/MW at CP.
- 223 **IIC-NLH-038** **Reference: Request for Information PUB-NLH-005.**
- 224 (a) Please provide the full COS analysis (Schedules F and G) reflecting
225 the scenario in Table 2.
- 226 **IIC-NLH-039** **Reference: Requests for Information PUB-NLH-114 and IIC-NLH-010.**
- 227 (a) Please provide the COS (Schedule F1.2 and Schedule G1.2)
228 impacts of the Vale Capacity Assistance Agreement, as compared
229 to having no Vale Capacity Assistance Agreement.
- 230 (b) Please indicate why the MUN Capacity Assistance expected
231 agreement is not included in the 2027 GRA and COS.
- 232 (c) Does Hydro anticipate making a revision to the GRA in the event
233 the MUN Capacity Assistance agreement is finalized?

234 (d) Please provide the impacts on the COS (the full Schedule F and
235 Schedule G) of including the MUN Capacity Assistance in the COS,
236 based on the same approach to modelling used for the existing 12
237 MW NP Capacity Assistance agreements.

DATED at St. John's, Newfoundland and Labrador, this 21st day of September, 2026.

POOLE ALTHOUSE


for Glen G. Seaborn

COX & PALMER


for Denis J. Fleming

STEWART MCKELVEY


Dana Constantine

- TO: The Board of Commissioners of Public Utilities
Jacqui Glynn, Ryan Oake, Mike McNiven, Colleen Jones, Board Record, Michael Collins
- TO: Newfoundland & Labrador Hydro
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