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November 13, 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-PUB-001 to IIC-PUB-010, dated November 13, 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

Newfoundland and Labrador Hydro
Shirley Walsh
Daniel Simmons
NLH Regulatory

Newfoundland Power Inc.
Dominic Foley
Douglas Wright
Liam O'Brien
NP Regulatory

Consumer Advocate
Adrienne H. Y. Ding
Justin W. King, O'Dea Earle
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.

REQUESTS FOR INFORMATION OF THE ISLAND INDUSTRIAL CUSTOMER GROUP

IIC-PUB-001 – IIC-PUB-010

ISSUED: November 13, 2026

IIC-PUB-001 **Reference: Doane Grant Thornton Newfoundland and Labrador Hydro – 2022/2023 Annual Review dated May 26, 2026, PDF page 12 of 150.**

Doane Grant Thornton stated in its report on the 2022/2023 annual review of NLH that "Hydro does not have set targets for their financial KPIs and instead compares these metrics to peer group data in line with Board direction in Order No. P.U. 8 (2007). We note that Hydro is outperforming their peer group in these metrics, however, Hydro does not believe that the selected peer group is an appropriate comparator on all metrics. As such, the Board should consider reviewing the selected peer group as part of the next general rate application."

(a) Did Doane Grant Thornton review the appropriateness of the peer group for financial KPIs as part of its review of the 2026 GRA? If so, please provide any updated findings or recommendations. If not, why not?

(b) Is it still Doane Grant Thornton's opinion the appropriateness of the peer group should be considered by the Board in the current GRA? Why or why not?

IIC-PUB-002 **Reference: Doane Grant Thornton Report on Newfoundland and Labrador Hydro – 2026 General Rate Application dated October 29, 2026, Section 3 Revenue and Energy Forecasts, PDF p 18 of 190.**

(a) Did Doane Grant Thornton consider the potential implications on revenue stability of Hydro's proposed changes to the IIC rate design in its evaluation of the reasonableness of Hydro's revenue and energy forecasts? Why or why not?

(b) Please provide any observations Doane Grant Thornton has on the potential for revenue variances as a result of the proposed new

industrial rate design and particularly the two block and seasonal nature of the proposed rate.

IIC-PUB-003 **Reference: Doane Grant Thornton Report on Newfoundland and Labrador Hydro – 2026 General Rate Application dated October 29, 2026, Vacancy Rates and Figure 48, PDF p 52 of 190.**

(a) Please discuss any findings or recommendations Doane Grant Thornton has with respect to Hydro's forecast vacancy rate being lower than the two actual years provided in Figure 48.

IIC-PUB-004 **Reference: Doane Grant Thornton Report on Newfoundland and Labrador Hydro – 2026 General Rate Application dated October 29, 2026, Holyrood Depreciation Expense, PDF p 112 of 190.**

Doane Grant Thornton notes "Article 4.3 of the 2024 Technical Update states that the recovery of the undepreciated capital cost of the Holyrood generation plant is through a regulatory deferral account and, as such, the 2023 Depreciation Study and 2024 Technical Update have not developed specific depreciation rates for the Holyrood TGS assets."

(a) Please provide any observations or recommendations Doane Grant Thornton has with respect to this treatment, including any risks to continued deferral treatment.

IIC-PUB-005 **Reference: Doane Grant Thornton Report on Newfoundland and Labrador Hydro – 2026 General Rate Application dated October 29, 2026, Productivity Allowance, Figures 147 and 148, PDF p 170 of 190.**

Doane Grant Thornton summarizes NLH's proposed productivity allowance.

(a) Please discuss the degree to which the use of the proposed productivity allowances was reflected in Doane Grant Thornton's analysis and recommendations related to the reasonableness of Hydro's test year forecast of operating costs.

(b) Please discuss any findings or recommendations Doane Grant Thornton may have with respect to the appropriateness of the magnitude (in both percentage and dollar terms) of the proposed productivity allowance.

IIC-PUB-006 **Reference: Brattle Report dated November 2, 2026 on Review of Cost of Service, the Long-Term Supply Cost Variance Deferral Account, and Island Industrial Rate Design, page 12 (PDF p 13 of 51).**

Brattle indicates that "Holyrood also supplies energy in drought conditions: Hydro states that, in a severe drought, existing and committed resources could not meet the firm energy requirement without it."

(a) Has Brattle reviewed any quantified 2027 energy production scenarios for drought conditions that confirm this assertion by

Hydro? If so, please provide the information reviewed, and the source.

(b) Specifically, has Brattle reviewed a scenario in support of the claim showing energy deficits occurring absent additional Holyrood generation for energy purposes, which starts with the following overall scenario:

i. 2027 forecast loads;

ii. NLH Hydraulic production at firm (i.e., drought) conditions assuming all units in service;

iii. Maximized LIL inflows consistent with 900 MW maximum, and the latest UFLS scenario (per IIC-NLH-25(b)(i));

iv. Holyrood generation and other thermal at minimum required for capacity reasons and testing;

v. Reasonable assumptions of non-firm Maritime Link imports to occur at any time in the year; and

vi. All 2027 PPAs, including wind PPAs continuing for St Lawrence and Fermeuse.

If yes, please provide this information in the form of Schedule A-V and A-VI in the Application.

IIC-PUB-007 **Reference: Brattle Report dated November 2, 2026 on Review of Cost of Service, the Long-Term Supply Cost Variance Deferral Account, and Island Industrial Rate Design, page 11 (PDF p 12 of 51).**

Brattle indicates that 6.94% of Holyrood fuel should be classified to energy and the remainder to demand on the basis that 31.6 GW.h is dispatched above minimum (energy), while the remaining 423.6 GW.h is related to minimum dispatch (demand).

(a) Please discuss the Brattle recommendation that 6.94% of Holyrood fuel be treated as energy in light of the response to IIC-NLH-22(b) which notes: “The PLEXOS model can dispatch Holyrood TGS above the minimum commitment level from time to time to meet peaking demand, resulting in annual generation that exceeds the minimum by approximately 31 GWh in the 2027 Test Year”, providing a clear indication that this fuel consumption is being driven by capacity, not energy. If the fuel is driven by capacity reasons, would the 6.94% also be appropriately classified as capacity?

IIC-PUB-008 **Reference: Brattle Report dated November 2, 2026 on Review of Cost of Service, the Long-Term Supply Cost Variance Deferral Account, and Island Industrial Rate Design, page 21 (PDF page 22 of 51).**

Brattle notes: "The larger concern is that hydraulic output at the peak falls well short of the capability Newfoundland Power demonstrates in its annual generation tests. Hydraulic output in the tests conducted from December 2020 through February 2026 ranged from 79.4 MW to 90.1 MW, compared with the 64 MW average output at the system peak. Newfoundland Power did not explain to Hydro why its reported available generation does not always match its actual generation when it is asked to maximize, and Hydro did not assess the recovery characteristics of Newfoundland Power's run-of-river plants or set a threshold at which repeated requests before a peak would indicate reservoir depletion. The shortfall was largest in 2024: on the three peak days, actual output was 26 MW to 36 MW less than the availability Newfoundland Power had reported."

"Hydro states that, if the proposed methodology is approved, it is a reasonable assumption that the winter of 2027–2028 will be the first opportunity for Newfoundland Power to maximize its hydraulic generation during periods of high demand when Hydro requests it. Hydro also states that Newfoundland Power was aware during the 2020–2024 window of Hydro's intent to recommend a methodology change based on historical data."

(a) Is it Brattle's contention that, in past periods, NP elected to not maximize its hydraulic generation to the full capability of the plant (as it existed in the period in question) during periods when Hydro requested NP to maximize output?

i. If yes, please provide any evidence in Brattle's possession of NP's failure to follow dispatch instructions from Hydro.

ii. If no, does Brattle understand that the underperformance was due to physical limitations at the plant and, if so please, provide any evidence available to Brattle about such physical limitations.

(b) Please confirm there is no penalty charged to NP for failing to fully dispatch its hydro generation when directed by Hydro.

(c) If NP is not following dispatch instructions form Hydro during system peaks, is there an argument to further de-rate the hydraulic generation credit below 64 MW to avoid crediting NP for unreliable behavior and inconsistent capacity contributions? In answering this question, please discuss whether it would be reasonable to use P90 (or perhaps the lowest recorded level) as the only reliable NP hydraulic capacity on which Hydro can depend? If the answer is no and Hydro has no penalties or other immediate financial penalties for failing to follow dispatch instructions, why would NP receive a higher credit than the level at which they reliably perform?

IIC-PUB-009 **Reference: Brattle Report dated November 2, 2026 on Review of Cost of Service, the Long-Term Supply Cost Variance Deferral Account, and Island Industrial Rate Design, page 22 (PDF page 23 of 51).**

Brattle recommends that Hydro investigate whether the NP thermal generation credit should also be applied to transmission, and not just generation.

(a) Please provide evidence that, when assessing new requirements and additions to the transmission system, Hydro's transmission planning approach includes an assumption that NP's thermal generation will be dispatched to reduce NP loads at peak times.

(b) If available but rarely dispatched capacity resources such as NP thermal generation are to receive a transmission credit, does Brattle also believe that industrial curtailable (capacity assistance) customers would appropriately receive financial incentives inclusive of transmission system cost savings?

IIC-PUB-010 **Reference: Brattle Report dated November 2, 2026 on Review of Cost of Service, the Long-Term Supply Cost Variance Deferral Account, and Island Industrial Rate Design, page 22 (PDF p 23 of 51).**

On page 22, Brattle draws a conclusion regarding the net cost of the 12 MW curtailable credit provided to NP, and the possible further 21.7 MW curtailable credit for the MUN boilers. This response relies upon the information in RFI IIC-NLH-039(d), which asks Hydro to model the MUN boiler credit in the same manner as the 12 MW existing curtailable credit. The existing curtailable credit is modelled in IIC-NLH-011(b) (including full backup details) and appears to contain a clear error, as described in footnote 63 of the evidence of Patrick Bowman.

(a) Please indicate whether Brattle has independently run the NLH COS to determine the impacts of the 12 MW curtailable credit or the 21.7 MW credit, or whether it has relied on NLH's output of their own models.

(b) Please confirm if Brattle has reviewed the NLH COS model detail (including schedule 3.1A) for accurate modelling of the 12 MW curtailable with/without scenarios and the 21.7 MW with/without scenarios? If yes, please provide a copy of that output (or a reference to the location of the models reviewed by Brattle) and the results of Brattle's review.

(c) Please indicate if Brattle is aware of a reason that, in the response to IIC-NLH-11b Attachment 2, Schedule 3.1 (column 3), which is a scenario without the 12 MW NP curtailable credit, the 1 CP demand at generation for NP increases by approximately 12 MW as compared to the original GRA Schedule G 3.1A, but the 1 CP value for Island Rural decreases by an equal and offsetting amount? Why would the rural CP decrease in this scenario due to removing the NP curtailable credit?

(d) Please indicate if Brattle is aware of a reason that the NP thermal generation credit (which reduces NP's CP peak at generation)

results in added net costs allocated to the industrial customers before mitigation, but the 12 MW curtailable credit, which has the exact same effect on adjusting NP's CP peak at generation, does not affect industrial customers? If yes, please explain.

DATED at St. John's, Newfoundland and Labrador, this 13th day of November, 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
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