

IN THE MATTER OF the *Public Utilities Act*, (the “Act”)

AND

IN THE MATTER OF an Application by Newfoundland and Labrador Hydro for an Order Approving (i) its 2007 Capital Budget pursuant to s. 41(1) of the Act; (ii) its 2007 Capital Purchases, and Construction Projects in excess of \$50,000.00 pursuant to s. 41(3)(a) of the Act; (iii) its Leases in excess of \$5,000.00 pursuant to s. 41(3)(b) of the Act; and (iv) its estimated contributions in aid of construction for 2006 pursuant to s. 41(s)(5) of the Act and for an Order pursuant to s. 78 of the Act fixing and determining its average rate base for 2005

**REQUESTS FOR INFORMATION
INDUSTRIAL CUSTOMERS TO HYDRO**

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| IC1 – NLH | Provide the age of each hydro electric plant owned and operated by Hydro from the date of commissioning and the ages of each hydro electric plant with a capacity of 75 MW or higher operating in Canada today. |
| IC2 – NLH | Provide the age of thermal generating plants, other than gas turbine plants, of a capacity of 100 MW or more operating in Canada today. |
| IC3 – NLH | As to each project which has been classified as “Mandatory”, indicate which part of the definition of Mandatory in the provisional Capital Budget Application Guidelines is applicable and identify the specific legislation, board order, safety issue or risk to the environment which obliges Hydro to carry out the project. |

- IC4 – NLH** Describe the Capital Budget planning process of Hydro and highlight any changes in that process since the preparation of the 2005 Capital Budget.
- IC5 – NLH** Indicate what projects would be eliminated or reduced in scope in the event that the Capital Budget for 2007 were capped at \$35.0 million.
- IC6 – NLH** Re page B-5: indicate who uses this access road on a daily basis, what type of vehicle is used on a daily basis and confirm that the road is used once each year to deliver fuel. Confirm the type of vehicle used for fuel deliveries and what other use is made of the road. Provide copies of any engineering studies, condition assessments or reports that document a need for significant upgrades to this road, including any reports of accidents or damage caused by road conditions. Indicate the full length of the road, whether gravel will be placed on all of it and what other alternative access to the plant and structures is available. Provide a breakdown of the project cost and indicate if it is intended to call for competitive bids for this work.
- IC7 - NLH** Re page B-6: indicate how many people use this road, the frequency of use, the types of vehicles used and other available access to the structures in question. Indicate the length of the road and the areas, both in size and location, to be upgraded. Indicate whether there has been any uncontrolled release of fuels on this road. Provide copies of any engineering studies, condition assessments or written reports of any nature which document a need to upgrade this road, including any reports of accidents or damage caused by road conditions. Provide a breakdown of the project cost and indicate if it is intended to call for competitive bids for this work.
- IC8 – NLH** Re page B-7: provide a maintenance history for the system in question identifying the numerous incidents of fouling and leaking piping and copies of the reports on the three most recent preventive maintenance inspections.
- IC9 – NLH** Re page B-8: specify what spares are available for the existing PLC. Explain how the failure of this unit affects the supply of electricity to the grid.

- IC10 – NLH** Re page B-18: indicate for what period of time the current practice of discharging waste water streams to the environment has violated the Environmental Control Water and Sewerage Regulations and why this project is required to be done in 2007. Provide copies of all correspondence with any environmental regulatory authority within the past five years related to the discharge of waste water streams at Holyrood. Provide an order of magnitude estimate for the eventual cost of modification of the existing treatment plant as referred to under the heading “Future Plans”.
- IC11 – NLH** Re page B-20: provide details of the occurrences of failed batteries in the past 5 years and indicate the effect on the grid of each of these failures.
- IC12 – NLH** Re page B-22: identify each occasion in the last three years where boiler shutdown was required due to the circumstances described under the heading “Operating Experience”. Does this project meet the definition of a “Justifiable Project” within the meaning of the provisional Capital Budget Application Guidelines?
- IC13 – NLH** Re page B-23: provide copies of any engineering studies, condition assessments or other reports which would lead to a conclusion that corrosion is occurring in Stephenville, including any available material relative to soil conditions at both Stephenville and Hardwoods. What, if any, inspection has been done on these pipes and what would be the estimated cost of an inspection?
- IC14 – NLH** Re page B-35: indicate the frequency of use of the original bridge over Southwest River and whether anyone other than Hydro or Abitibi uses this bridge.
- IC15 – NLH** Re page B-38: indicate the expected life of the existing line protection relays, whether there are any older relays currently in use in Hydro’s system and what the effect would be of delaying this project one to two years.
- IC16 – NLH** Re page B-44: indicate how many “first generation” breakers are on Hydro’s system, which four breakers are scheduled for upgrade under this project and how they were chosen, and how long a life extension is anticipated from these upgrades. Indicate whether there are any components in these breakers that will potentially become unavailable during the extended life of the breakers. Provide the capital cost of replacement of such breakers and indicate why the work described would not form part of the normal maintenance for breakers of these types.

- IC17 – NLH** Re page B-75: indicate the total number of structures on which Hydro plans to install restraint systems, the structures which have been so equipped to date and the projection for the next three years of structures to be equipped. Provide the guidelines used to determine whether a permanent installation on a structure is required or whether temporary individual systems will be used.
- IC18 – NLH** Re page B-80: indicate how and by whom the 2003 fleet review was conducted and provide all documentation generated in the course of that review. Indicate the specific tasks for which this vehicle is being acquired.
- IC19 – NLH** Re page B-81: provide existing guidelines for the use, storage, handling and access to snowmobiles and ATV's owned by Hydro.
- IC20 – NLH** Re page B-85: explain why it is necessary for both control room operators to have access to the Ltrax System.
- IC21 – NLH** Re page B-87: is it anticipated that the iSeries Operating System will require annual upgrades?
- IC22 – NLH** Re page B-89: is the rate of growth in disk capacity that which was projected by Hydro when the Storage Area Network was installed? Are any steps taken to identify older and less frequently-accessed information which could be stored elsewhere?
- IC23 – NLH** Re page B-92: does Hydro plan to call for competitive bids for the replacement of these devices? What plans, if any, exist for the disposition of the units proposed to be replaced?
- IC24 – NLH** Re page B-98: provide copies of any engineering studies, condition assessments or other reports indicating the necessity for the refurbishment contemplated by this project. Indicate the extent to which the useful life of the site will be extended.
- IC25 – NLH** Re page B-100: indicate what type of system is contemplated in this project and what alternatives have been considered.
- IC26 – NLH** Re page B-109: provide the 2003 and 2005 studies referred to in the "Operating Experience" for this project and an outline of the proposed work under the second two years of the three year program referred to. Provide numbers and details of incidents of unauthorized access to or vandalism at sites of Hydro facilities that would support the need for additional security measures as proposed in this project.

IC27 – NLH

Re Section H, Tab 2, Wood Pole Line Management Program Progress Report 2005 Inspection Program:

(a) Re Page 3, “Update of 2005 Work”, “*The program is built on the strategy of focusing on the older lines first and working towards newer lines*” : How many lines with a “year in service” older than (i) 1983 in Eastern Region, (ii) 1981 in Central Region, (iii) 1987 in Western Region, (iv) 1983 in Northern Region and (v) 1976 in Labrador Region remained uninspected at the conclusion of the 2005 Work? Please identify the “year in service” of such uninspected lines.

(b) Re page 5, “2006 Work Plans” : How many lines with a “year in service” older than 1990 in Eastern Region will remain uninspected at the conclusion of the 2005 Work? Please identify the “year in service” of such uninspected lines.

(c) Re Page 3, “Update of 2005 Work” and page 5, “2006 Work Plans”: It is apparent that lines with considerably older “years in service” than (i) 1983 in Eastern Region, (ii) 1981 in Central Region, and (iii) 1983 in Northern Region were not inspected in the 2005 Work, but were left to the 2006 Work Plans. Is this consistent with the professed strategy of focusing on older lines? If there is no consistent strategy of focusing on older lines, what in practice is the program inspection methodology?

(d) Re Page 4, “Update of 2005 Work” (cont.): if future inspection requirements for the Eastern and Western Regions are able to be reduced from 800 poles to 400 poles, without “any impact on the effectiveness of the program”, why is a commensurate reduction in poles to be inspected not being proposed for other Regions?

(e) Re Page 4, “Conclusions” “*The budget estimate of \$2.6 M was realized.*” : Is this reflective of the total cost of inspecting, testing, treatment, data collection, material and providing engineering support being \$300 per pole inspected, as budgeted at page 63 of the report titled “Wood Pole Line Management Using RCM Principles” filed with Hydro’s 2005 Capital Budget Application under Section G: Appendix 2?

(f) Re “Wood Pole Line Management Using RCM Principles” filed with Hydro’s 2005 Capital Budget Application under Section G: Appendix 2, page 68 “Recommendations”: Have all recommendations been followed? Please respond outlining what steps have been taken to achieve each recommendation.

(g) Re Inspection Report – TL 201 – Please provide copies of the Inspection Reports for each line inspected in the 2005 inspection year.

DATED at St. John's, Newfoundland and Labrador, this 9th day of August, 2006.



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