

1 Q. **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 3**
2 **of 81, Lines 26-27.**

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4 On Page 3 of 81, at Lines 26-27 it states:

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6 *“On October 2, 2018, the Board directed that Hydro file, by October 26, 2018, an*
7 *update reflecting both the revised forecast of off-island purchases and the updated*
8 *fuel price forecast...”*

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10 In tabular format, please provide a side-by-side comparison of: (i) the 2018 and
11 2019 Test Year data provided in the updated Schedule 3-VI requested in Request for
12 Information NP-NLH-338; and (ii) the 2018 and 2019 Test Year data provided in
13 Schedule 3-VI as filed on July 28, 2017. Below the table, please provide supporting
14 calculations and detailed explanations of the changes between the original filing
15 and the requested update.

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18 A. Please refer to NP-NLH-340, Attachment 1, which provides the requested
19 comparisons for the 2018 Test Year and the 2019 Test Year. As stated in Hydro’s
20 response to NP-NLH-339, Hydro’s evidence filed July 28, 2017 was prepared on the
21 Deferral Account Scenario and assumed no off-island purchases. Conversely,
22 Hydro’s Evidence on Customer Rates, Revision 2 filed November 14, 2018 was
23 prepared on the Expected Supply Scenario, which includes off-island purchases.

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25 The differences between the 2018 Test Year information in the October 26, 2018
26 filing and the original July 28, 2017 filing reflect (i) the differences in production and
27 production costs as a result of including off-island purchases in the October 26,

1 2018 forecast; and (ii) the assumption in the October 26, 2018 filing that 2018
2 supply costs would be calculated based on the 2015 Test Year forecast and
3 variances from the 2015 Test Year forecast would be reflected in supply cost
4 deferral account balances. The original filing assumed 2018 Test Year supply costs
5 would be calculated based on the 2018 Test Year forecast.

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7 The differences between the 2019 Test Year information in the October 26, 2018
8 filing and the original July 28, 2017 filing for the 2019 Test Year reflect the
9 differences in production and production costs as a result of including off-island
10 purchases in the October 26, 2018 forecast.

Newfoundland and Labrador Hydro Energy Purchases by Suppliers for 2018 and 2019 Test Years
Island Interconnected System

Supplier	2018 Test Year						2019 Test Year					
	As Filed July 28, 2017		As Filed Oct 26, 2018		Differences		As Filed July 28, 2017		As Filed Oct 26, 2018		Differences	
	GWh	\$000	GWh	\$000	GWh	\$000	GWh	\$000	GWh	\$000	GWh	\$000
NP at Hydro Request	-	-	-	-	-	-	-	-	-	-	-	-
CBPP Secondary	-	-	-	-	-	-	-	-	-	-	-	-
Star Lake ¹	140.9	5,635	142.2	5,515	1.3	(120)	142.0	5,679	141.8	5,672	(0.2)	(7)
Rattle Brook ¹	14.8	1,264	15.0	1,236	0.2	(28)	14.8	1,282	14.8	1,263	0.0	(19)
Corner Brook Cogen ¹	66.5	12,536	51.1	11,792	(15.4)	(744)	66.5	12,554	66.5	12,534	0.0	(20)
St. Lawrence Wind ¹	104.8	7,567	104.8	7,567	-	(1)	104.8	7,598	104.8	7,567	-	(31)
St. Lawrence Wind Ecoenergy Incentive Credit ²	-	(621)	-	(523)	-	98	-	(31)	-	-	-	31
Fermeuse Wind ¹	84.4	6,539	84.4	6,539	0.0	-	84.4	6,565	84.4	6,539	0.0	(26)
Fermeuse Wind Ecoenergy Incentive Credit ²	-	(621)	-	(544)	-	77	-	(86)	-	(25)	-	61
Nalcor Exploits ¹	615.1	24,603	623.3	23,763	8.2	(840)	614.8	24,594	615.4	24,615	0.6	21
Recapture Energy ³	-	-	69.1	219	69.1	219	-	-	667.2	1,537	667.2	1,537
Other Off-Island Purchases ³	-	-	83.0	7,316	83.0	7,316	-	-	48.7	4,582	48.7	4,582
CBPP Capacity Assistance ⁴	-	2,520	-	2,520	-	-	-	2,520	-	2,993	-	473
Vale Capacity Assistance ⁴	-	302	-	302	-	-	-	302	-	213	-	(89)
Vale Capacity Assistance (Curtailed Load) ⁴	-	168	-	168	-	-	-	168	-	168	-	-
Praxair Capacity Assistance ⁴	-	140	-	140	-	-	-	140	-	-	-	(140)
Total Power Purchases	1,026.5	60,032	1,172.8	66,009	146.3	5,977	1,027.4	61,286	1,743.6	67,657	716.2	6,371

¹ Forecasts for the 2018 Test Year on-island purchased power reflect the 2015 Test Year updated values to be consistent with the operation of the supply cost deferral accounts.

² The Ecoenergy Incentive Credits reflect earlier than originally anticipated completion of the ecoenergy incentive credits associated with these facilities.

³ Inclusion of the off-island purchases reflect the change in assumptions from the Deferral Account Scenario to the Expected Supply Scenario.

⁴ Capacity assistance reflects the revisions to either the underlying agreements or the level of capacity available.