

NLH-LAB-007. Re: “Newfoundland and Labrador Hydro’s Proposed Network Addition Policy and Transmission Expansion Study – Addendum.”

Please provide details on what rate schedule will apply to the new cryptocurrency customer class approved to be implemented by HQD.

RESPONSE:

Mr. Raphals states:

In an earlier phase of the proceeding, the Régie adopted Provisional Rates and Conditions of Service for Cryptographic Use Applied to Blockchains, which were slightly modified by the recent Decision.¹² Presumably, at the conclusion of the phase 3 hearing, the new rate class, including all of its terms and conditions, will be added to HQD’s Rate Book.¹³

On page 15 of the Addendum, I mentioned that HQD pointed out in its evidence that it offers other rates that are non-firm and require curtailment under certain circumstances. An example of these is the Additional Electricity Option for Large Customers, set out in Section 3 of Chapter 6 of the HQD Rate Book. The curtailment provision is set out as follows:

Restrictions (section 6.36)

Hydro-Québec may prohibit consumption of additional electricity on 2 hours’ notice, based on system management requirements and availability.

Should the customer consume additional electricity during an unauthorized period, all consumption beyond reference power during that period will be billed at 50¢ per kilowatt hour.

The provisions of the Additional Electricity Option shall not be interpreted as an obligation on the part of Hydro-Québec to assume any additional costs for connection, installation, or reinforcement of the transmission or distribution system to serve customers wishing to take advantage of the option. The customer shall assume any and all costs associated with the delivery of electricity under the Additional Electricity Option.

Hydro-Québec will neither build new facilities to provide the Additional Electricity Option nor allocate existing facilities to additional electricity loads in order to guarantee the availability of the energy.

This article shall not be interpreted as granting the customer permission to exceed the customer’s available power.¹⁴

¹² http://publicsde.regie-energie.qc.ca/projets/457/DocPrj/R-4045-2018-B-0035-Demande-Piece-2018_07_17.pdf.

¹³ HQD’s current rate book can be found here: http://publicsde.regie-energie.qc.ca/projets/469/DocPrj/R-4057-2018-B-0198-Demande-Autre-2019_04_04.pdf.

¹⁴ Ibid., pages 122-123.