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November 28, 2019

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Via Courier

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

**Attention: Ms. G. Cheryl Blundon, Director of Corporate Services
and Board Secretary**

Dear Ms. Blundon:

**Re: Island Industrial Customers Group- 2020 Capital Budget Application (Technical
Conference)**

We enclose the original and 10 copies of Island Industrial Customers Group's Requests for Information IC-NLH-005-IC-NLH-008 in regards to the above noted Application.

If you have any questions regarding the enclosed, please contact the undersigned.

We trust this is in order.

Yours truly,

Stewart McKelvey

Paul L. Coxworthy

PLC/tas

Enclosures

cc: Shirley Walsh, Senior Legal Counsel- Regulatory, Newfoundland & Labrador Hydro
Dennis M. Browne, Q.C., Consumer Advocate
Kelly Hopkins, Corporate Counsel- Newfoundland Power

1 **IN THE MATTER OF** the *Public Utilities Act*
2 (the "Act"); and

3 **IN THE MATTER OF** an Application
4 by Newfoundland and Labrador Hydro
5 for an Order approving (1) its 2020
6 Capital Budget pursuant to s. 41(1) of
7 the Act; (2) its 2020 capital purchases
8 and construction projects in excess of
9 \$50,000.00 pursuant to s.41(3)(a) of
10 the Act; (3) its estimated contributions
11 in aid of construction for 2020
12 pursuant to s.41(5) of the Act; and (4)
13 for an order pursuant to s. 78 of the
14 Act fixing and Determining its Average
15 Rate Base for 2015 and 2016.

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17 **REQUESTS FOR INFORMATION OF THE**
18 **ISLAND INDUSTRIAL CUSTOMERS GROUP**

19 **(arising from November 20, 2019 Technical Conference)**

20 IC-NLH-005 – IC-NLH-008

21 ISSUED NOVEMBER 28th, 2019

22 **Capitalization Process**

23 IC-NLH-005 With reference to the sixth slide of the Capitalization Process presentation, entitled
24 "Capitalized Labour by Division", please provide a breakdown of the 3 year average
25 capitalized labour (salary and benefits) by division, as a percentage of the total
26 average capitalized labour over this period, e.g. what percentage of total average
27 capitalized labour over this 3 year period is represented by Engineering Services?

28 IC-NLH-006 With reference to the third slide of the Rate Mitigation presentation, entitled
29 "Introduction (continued)", can Hydro, in its future Capital Budget Applications,
30 aggregate in one section of the supporting evidence to the Application all the
31 deferral opportunities that were analysed for that Application and found not to have
32 been justified for the Application, describing each deferred project/capital
33 expenditure, providing a detailed explanation for its deferral, the time period for
34 which it is expected the project/capital expenditure will be deferred, and the
35 estimated capital costs savings arising from the deferral?

36 IC-NLH-007 With reference IC-NLH-006, can Hydro, in its future Capital Budget Applications,
37 also aggregate all non-deferral capital cost savings identified and implemented for
38 that Application (or for the Capital Budget year covered by that Application),
39 describing the capital costs savings achieved?

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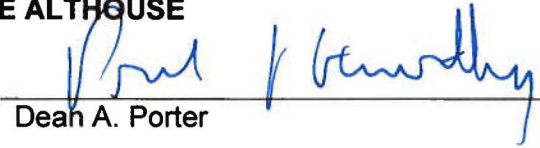
1 IC-NLH-008 With reference generally to Rate Mitigation and Hydro's capital budget process, can
2 Hydro, in its future Capital Budget Applications, provide an estimate of the rate
3 impact on each customer class (including the island industrial customer class), if
4 the projects/capital expenditures proposed by that Application are approved, as of
5 the anticipated timeframe that these capital expenditures will be added to rate
6 base?

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8 **DATED** at St. John's, in the Province of Newfoundland and Labrador, this 28th day of November,
9 2019.

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POOLE ALTHOUSE

Per: 
Deah A. Porter

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COX & PALMER

Per: 
Denis J. Fleming

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STEWART MCKELVEY

Per: 
Paul L. Coxworthy

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TO: The Board of Commissioners of Public Utilities
Attention: Board Secretary

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TO: Newfoundland & Labrador Hydro
Attention: Shirley A. Walsh, Senior Legal Counsel, Regulatory

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TO: Office of Consumer Advocate
Attention: Dennis Browne, Q.C.

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TO: Newfoundland Power Inc.
Attention: Kelly Hopkins, Corporate Counsel