

WHENEVER. WHEREVER.
We'll be there.



July 9, 2021

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

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

Dear Ms. Blundon:

**Re: Newfoundland and Labrador Hydro – Application for Approvals Required to Execute
Programming Identified in the Electrification, Conservation and Demand Management Plan
2021–2025**

Please find enclosed Newfoundland Power's Requests for Information NP-NLH-001 to NP-NLH-008 in relation to the above noted Application.

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

Yours truly,

A handwritten signature in black ink that reads "Lindsay Hollett".

Lindsay Hollett
Legal Counsel

Enclosures

cc. Shirley Walsh
Newfoundland and Labrador Hydro

Dennis Browne, Q.C.
Browne Fitzgerald Morgan & Avis

Paul Coxworthy
Stewart McKelvey

Senwung Luk
Olthuis Kleer Townshend LLP

Gregory Moores
Stewart McKelvey

Shawn Kinsella
Teck Resources Limited

Sheryl Nisenbaum
Praxair Canada Inc.

Newfoundland Power Inc.

55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6

PHONE (709) 737-5364 • FAX (709) 737-2974 • lhollott@newfoundlandpower.com

IN THE MATTER OF the *Electrical Power Control Act, RSNL 1994*, Chapter E-5.1 (“*EPCA*”) and the *Public Utilities Act, RSNL 1990*, Chapter P-47 (“*Act*”), and regulations thereunder;

AND IN THE MATTER OF an application by Newfoundland and Labrador Hydro (“Hydro”), pursuant to Sections 58, 71 and 80 of the *Act*, for the approval of an economic test and deferral of Electrification, Conservation and Demand Management (“ECDM”) program costs in the proposed ECDM Cost Deferral Account for future recovery through the proposed ECDM Cost Recovery Adjustment;

AND IN THE MATTER OF an application by Hydro, pursuant to Section 41(3) of the *Act*, for the approval of supplemental 2021 capital expenditures related to the construction of an electric vehicle (“EV”) charging network (collectively the “ECDM Application”).

**Requests for Information by
Newfoundland Power Inc.**

NP-NLH-001 to NP-NLH-008

July 9, 2021

Requests for Information

NP-NLH-001 Reference: ECDM Application (1st Revision), Schedule 1, page 6, lines 11-23.

Please confirm that Hydro's ECDM Cost Deferral Account is included in its calculation of regulated rate base. If this cannot be confirmed, please explain.

NP-NLH-002 Reference: ECDM Application (1st Revision), Schedule 1, page 6, lines 11-23 and Appendix A.

Please complete the following table to demonstrate the impact that recording 2021 EV infrastructure capital costs of \$724,300 to the ECDM Cost Deferral Account will have on Hydro's 2021 and 2022 forecast regulated rate base and revenue requirement.

EV Infrastructure Costs Recorded to a Deferral Account Impact on Regulated Rate Base and Revenue Requirement 2021 and 2022 Forecast		
	2021F	2022F
Average Rate Base		
Opening Rate Base (A)		
Additions (B)		
Accumulated Amortization (C)		
Closing Rate Base (D=A+B-C)		
Average Rate Base (E=(A+D)/2)		
Revenue Requirement		
Amortization Expense (F)		
Return on Rate Base (G)		
Revenue Requirement (H=F+G)		

NP-NLH-003

Reference: ECDM Application (1st Revision), Schedule 1, page 6, lines 11-23 and Appendix A.

Please complete the following table to demonstrate the impact that recording 2021 EV infrastructure capital costs of \$724,300 to a plant account would have on Hydro's 2021 and 2022 forecast regulated rate base and revenue requirement. Please indicate the service life assumed for the EV infrastructure to complete the requested scenario.

EV Infrastructure Costs Recorded to a Plant Account Impact on Regulated Rate Base and Revenue Requirement 2021 and 2022 Forecast		
	2021F	2022F
Average Rate Base		
Opening Rate Base (A)		
Additions (B)		
Accumulated Depreciation (C)		
Closing Rate Base (D=A+B-C)		
Average Rate Base (E=(A+D)/2)		
Revenue Requirement		
Depreciation Expense (F)		
Return on Rate Base (G)		
Revenue Requirement (H=F+G)		

NP-NLH-004

Reference: ECDM Application (1st Revision), Schedule 1, page 6, lines 11-23.

Is Hydro aware of other utilities that charge capital costs to a deferral account? If so, please provide details.

NP-NLH-005

Reference: ECDM Application (1st Revision), Schedule 1, Appendix A.

Please re-state Appendix A, including notes, assuming Capital Costs (column A) are recorded to a plant account rather than to the ECDM Cost Deferral Account.

NP-NLH-006

Reference: ECDM Application (1st Revision), Schedule 1, page 6, lines 11-23.

Please provide the rationale for the proposed recovery period for electrification capital and program costs and provide details on any alternative recovery periods considered, such as the average life of the related technologies. If no alternative recovery periods were considered, why not?

NP-NLH-007

Reference: ECDM Application (1st Revision), Schedule 1, Appendix A.

Please re-state Appendix A, including notes, assuming Capital Costs (column A) and Program Costs (column B) are recovered over a 10-year period.

NP-NLH-008

Please provide an update on when Hydro intends to file its next General Rate Application.

RESPECTFULLY SUBMITTED at St. John's, Newfoundland and Labrador, this 9th day of July, 2021.



NEWFOUNDLAND POWER INC.
P.O. Box 8910
55 Kenmount Road
St. John's, Newfoundland A1B 3P6

Telephone: (709) 737-5364
Telecopier: (709) 737-2974