

1 Q. Hydro’s June 16, 2021 cover letter notes that the Application seeks “*approvals required for the*
2 *execution of programming identified in the Electrification, Conservation and Demand*
3 *Management (“ECDM”) Plan 2021–2025 (“2021 Plan”).”*

4 On Application page 5, Part F, Paragraph 22 Hydro notes that it requests that the Board make an
5 Order as follows:

6 (i) *Approving the economic evaluation of customer electrification programs by use of an*
7 *mTRC test;*

8 (ii) *Approval, pursuant to Sections 58 and 80 of the Act, of the ECDM Cost Deferral Account*
9 *to provide for the deferral of costs related to the implementation of Hydro’s ECDM*
10 *programs for all systems, including CDM programs for the Labrador Interconnected*
11 *System;*

12 (iii) *Approval, pursuant to Section 71 of the Act, of the ECDM Cost Recovery Adjustment to*
13 *provide for recovery of costs charged to the ECDM Cost Deferral Account; and*

14 (iv) *Pursuant to Section 41(3) of the Act, supplemental 2021 capital expenditures associated*
15 *with the expansion of Hydro’s EV charging network.*

16 Please clarify the scope of approvals sought by Hydro by this Application. In particular, with the
17 exception of the capital expenditures associated with the expansion of the EV charging network
18 specified in the Application, none of the four requested approvals above appear to seek
19 approval for capital expenditures or recovery of costs for other ECDM programs as outlined in
20 Schedule 3 Electrification, Conservation and Demand Management Plan 2021-2025. If Hydro
21 does intend that approvals sought by this Application include present or future recovery of costs
22 other than the capital expenditures associated with the expansion of the EV charging network
23 specified in the Application, please clarify which other ECDM programs, at what cost, and over
24 what period, Hydro is seeking approval to by this Application. If Hydro does not consider that
25 approvals sought by Application to include present or future recovery of costs other than the
26 capital expenditures associated with the expansion of the EV charging network specified in the
27 Application, please clarify by what future processes does Hydro contemplate seeking approval

1 for other ECDM programs as outlined in Schedule 3 Electrification, Conservation and Demand
2 Management Plan 2021-2025. If Hydro believes previous Board orders to be relevant to its
3 response to the foregoing, please specify each such Board order and specific Board approvals
4 given by those orders which Hydro believes to be of relevance.

5

6

7 A. Due to the length of this request for information, for clarity, Newfoundland and Labrador Hydro
8 (“Hydro”) has segmented this request and responds as follows.

9 **“Please clarify the scope of approvals sought by Hydro by this Application.”**

10 Hydro’s application seeks approval of the economic evaluation of customer electrification
11 programs by use of a modified Total Resource Cost (“mTRC”) test, approval to construct an
12 expansion of its electric vehicle (“EV”) charging network, and approval of revised deferral
13 account definitions to permit the deferral and detail the recovery mechanism of electrification,
14 conservation and demand management (“ECDM”) costs.

15 **“. . . none of the four requested approvals above appear to seek approval for capital
16 expenditures or recovery of costs for other ECDM programs as outlined in Schedule 3
17 Electrification, Conservation and Demand Management Plan 2021-2025.”**

18 **“If Hydro does not consider that approvals sought by Application to include present or future
19 recovery of costs other than the capital expenditures associated with the expansion of the EV
20 charging network specified in the Application, please clarify by what future processes does
21 Hydro contemplate seeking approval for other ECDM programs as outlined in Schedule 3
22 Electrification, Conservation and Demand Management Plan 2021-2025.”**

23 In addition to Hydro’s request for approval of capital expenditures associated with the
24 expansion of the EV charging network specified in the application, Hydro’s application seeks
25 approval of revised deferral account definitions which, if approved, will permit the deferral and
26 detail the recovery of ECDM costs. Hydro notes that recovery of ECDM costs will be subject to

1 an annual application to the Board of Commissioners of Public Utilities (“Board”), pursuant to
2 Section 70(1) of the *Public Utilities Act, RSNL 1990*. This is consistent with the current application
3 process which takes place annually on July 1 for Hydro’s conservation and demand management
4 (“CDM”) costs for both the Island Industrial customers and Newfoundland Power Inc.

5 **“If Hydro does intend that approvals sought by this Application include present or future**
6 **recovery of costs other than the capital expenditures associated with the expansion of the EV**
7 **charging network specified in the Application, please clarify which other ECDM programs, at**
8 **what cost, and over what period, Hydro is seeking approval to by this Application.”**

9 As noted above, Hydro is not seeking approval of specific ECDM programs; rather, Hydro is
10 seeking approval of the economic evaluation of customer electrification programs by use of an
11 mTRC test. This approach is consistent with past practice of the Board. Please refer to Hydro’s
12 response to PUB-NLH-034 for greater detail surrounding this approach.

13 The forecast cost of electrification-specific programs is included in Hydro’s application.¹ As
14 noted in the ECDM Cost Recovery Adjustment,² Hydro’s ECDM costs are proposed to be
15 recovered over seven years, consistent with the currently approved treatment of CDM costs.

16 **“If Hydro believes previous Board orders to be relevant to its response to the foregoing,**
17 **please specify each such Board order and specific Board approvals given by those orders**
18 **which Hydro believes to be of relevance.”**

19 The Board approved the use of the total resource cost test for the evaluation of customer
20 conservation programs in Order No. P.U. 18(2016).

¹ “Application for Approvals Required to Execute Programming Identified in the Electrification, Conservation and Demand Management Plan 2021–2025,” Newfoundland and Labrador Hydro, rev. 1, July 8, 2021 (originally filed June 16, 2021), sch. 1, app. A.

² “Application for Approvals Required to Execute Programming Identified in the Electrification, Conservation and Demand Management Plan 2021–2025,” Newfoundland and Labrador Hydro, rev. 1, July 8, 2021 (originally filed June 16, 2021), sch. 1, app. C.