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September 23, 2020

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 – 2021 Capital Budget Application**

Please find enclosed Newfoundland Power's Requests for Information NP-NLH-001 to NP-NLH-009 in relation to the above-noted Application.

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

Yours very truly,

A handwritten signature in blue ink, appearing to read "Gerard M. Hayes".

Gerard M. Hayes  
Senior Counsel

ec. Shirley Walsh  
Newfoundland & Labrador Hydro

Paul Coxworthy  
Stewart McKelvey Stirling Scales

Sheryl Nisenbaum  
Praxair Canada Inc.

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

Denis Fleming  
Cox & Palmer

Shawn Kinsella  
Teck Resources Limited

**Newfoundland Power Inc.**

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

PHONE (709) 737-5609 • FAX (709) 737-2974 • [ghayes@newfoundlandpower.com](mailto:ghayes@newfoundlandpower.com)

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

**AND IN THE MATTER OF** an Application by Newfoundland and Labrador Hydro for an order approving: (i) its 2021 Capital Budget pursuant to s.41(1) of the Act; (ii) its 2021 capital purchases and construction projects in excess of \$50,000 pursuant to s.41(3)(a) of the Act; and (iii) for an order pursuant to s.78 of the Act fixing and determining its average rate base for 2017, 2018, and 2019.

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

**NP-NLH-001 to NP-NLH-009**

**September 23, 2020**

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## Requests for Information

**Reference:** **Volume I, 2021-2025 Capital Plan, Appendix A, page A-3, line 5.**

NP-NLH-001 The 2021-2025 Capital Plan includes a total cost of approximately \$47 million for the multi-year Penstock Refurbishment Project from 2022 to 2025. In correspondence to the Board dated June 3, 2020, Hydro reported that its consultant, Hatch, estimated the total cost of work for all three penstocks was approximately \$104 million. Please explain the discrepancy in Hatch’s estimate and Hydro’s estimate in the Five-Year Capital Plan, and whether this discrepancy will be accounted for in its future application regarding penstock refurbishment.

**Reference:** **Volume I, Section C: Projects Over \$500,000, Provide Service Extensions (2021), page C-75, lines 9 to 10.**

*“This is a single-year project to provide an annual allotment for new service connections and street lights, based on past expenditures and forecasted activity within the regions.”*

NP-NLH-002 Please confirm that new street lights installed will be LED technology and explain how Hydro plans to track capital expenditures associated with the conversion to LED street lights.

**Reference:** **Volume I, Section C: Projects Over \$500,000, Replace Hydro Personal Computers (2021), page C-100, lines 13 to 17.**

*“Hydro operates and maintains approximately 313 desktop computers, 502 laptops, 75 workstations, 58 ruggedized mobile computers, and 273 thin-client computing devices. A preliminary analysis based on existing device age has identified 128 desktop computers, 139 laptops, 3 workstations, and 42 ruggedized mobile computers that are due for replacement in 2021. Hydro has included an estimated replacement of 300 monitors in this budget for failure replacement and new computer setups.”*

NP-NLH-003 Provide a table showing for the past 5 years (2016, 2017, 2018, 2019 and 2020 forecast) the project expenditure, the number of desktop computers, laptops, workstations, ruggedized mobile computers, and thin-client computing devices in service, and the number replaced in that year.

NP-NLH-004 Why is there such a high percentage of desktop computers and ruggedized mobile computers being replaced in 2021?

**Reference:** **Volume I, Section D: Projects Over \$200,000 but less than \$500,000, Level 2 Chargers for Electric Vehicles, page D-59, lines 20 to 23.**

*“To enable the use of fleet electric vehicles, charging infrastructure at Hydro-owned sites is required in advance of acquiring further electric vehicles, which is expected to commence in late 2021 and continue throughout the five year capital plan period.”*

NP-NLH-005 How many electric vehicles does Hydro plan to purchase in late 2021? Are these electric vehicles included in the estimates provided in the 2021 Capital Budget Application?

**Reference:** **Volume II, Terminal Station Refurbishment and Modernization (2021-2022), Section 2.1.7 – Perform Grounding Upgrades, Table 10**

NP-NLH-006 Please confirm that the scope of work for 2021, based on the cost estimates provided in Table 10, is to complete step and touch potential analysis and integrity assessments on the identified stations.

NP-NLH-007 If step and touch potential analysis and integrity assessments have not been completed on the stations identified for grounding upgrades to date, upon what basis is Hydro estimating costs in 2022 for the grounding upgrades?

**Reference:** **2021 Capital Budget Application, Volume II, Terminal Station Refurbishment and Modernization (2021-2022), Section 2.3 – Protection, Control, and Monitoring Refurbishment and Upgrades, Table 13**

NP-NLH-008 Hydro’s 2020 *Capital Budget Application* included \$745,400 in 2021 expenditures for the Protection, Control, and Monitoring Refurbishment Upgrades component of the project. In the *2021 Capital Budget Application*, Hydro has included 2021 expenditures of \$2,013,700 for this component of the project. Please provide a detailed explanation for the difference.

**Reference:** **Volume II, 2021 Capital Projects over \$500,000, Wood Pole Line Management Program (2021), Appendix A, Figure A-1**

NP-NLH-009 Based on Figure A-1 it appears that approximately 30% of Hydro’s wood poles are projected to last in excess of 100 years. Please provide the evidence supporting this projection.

**RESPECTFULLY SUBMITTED** at St. John's, Newfoundland and Labrador, this 23<sup>rd</sup> day of September, 2020.

A handwritten signature in blue ink, appearing to be 'Quayle', written in a cursive style.

**NEWFOUNDLAND POWER INC.**

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