

**IN THE MATTER OF, the Public
Utilities Act, R.S.N. 1990, Chapter P-47
(the Act), and**

**IN THE MATTER OF a General Rate Application
(the Application) by Newfoundland and Labrador Hydro
for approvals of, under Section 70 of the Act, changes in
the rates to be charged for the supply of power and
energy to Newfoundland Power, Rural Customers and
Industrial Customers; and under Section 71 of the Act,
Changes in the Rules and Regulations applicable to the
Supply of electricity to Rural Customers.**

**Requests for Information by the
Towns of Labrador, Wabush,
Happy Valley-Goose Bay, North West River (LWHN)**

2 0 - 5 4

Issued: November 6, 2013

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1. LWHN -NLH-20
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- Provide a table that gives the following: (1) Labrador Interconnected System's share of the rural deficit, expressed in dollars; (2) Newfoundland Power's share of the rural deficits, expressed in dollars, (3) the number of Labrador Interconnected customers; (4) the number of NP customers (or NL Hydro's best estimate if it does not have exact figures); (5) based (1) and (3), the Labrador Interconnected System's share of the rural deficit per customer; and (6) based on (2) and (4), NP's share of the rural deficit per NP customer. The table should be for annual figures from 2003 to the 2013 text year inclusive. Also, if available, provide the forecasts for the years 2014 to 2017 inclusive.
16. LWHN-NLH-21
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- Please provide copies of the five most recent annual Rural Deficit Initiatives reports.
18. LWHN-NLH-22
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- In light of the substantial increase in electricity consumption in L'Anse au Loup and the Labrador Isolated systems, please present any evidence that NL hydro's CDM expenditures in those areas are having any impact. Compare any cost saving to the cost of CDM.

24. LWHN-NLH-23 Re: Responses to NP-NLH-101 and 102. In light
25. of the impact on the rural deficit due to increasing
26. consumption in the L'Anse au Loup and Isolated
27. Labrador systems, has NL Hydro communicated to
28. government that the NSP electricity rebate is
29. working to increase the rural deficit? If so, what
30. guidance or response, if any, has NL Hydro
31. received?
32. LWHN-NLH-24 Re: Response to LWHN-NLH-011. NL Hydro
33. has indicated that the NP Customer expense
34. figure that is used in the formula for the allocation
35. of the rural deficit is a "derived" number. Please
36. provide a list of the items that give rise to this
37. figure and indicate their locations.
38. LWHN-NLH-25 Please confirm that the NP Customer Expense
39. used in the calculation of the allocation of the rural
40. deficit, as in Exhibit 13 Schedule 1.2.1, has
41. nothing to do with NP's actual customer expense
42. and that no NP data is used in the calculation

43. LWHN-NLH-26 Re: Response to LWHN-NLH-013. Please confirm
44. that the figure used for the Number of NP
45. Customers used in the calculation of the allocation
46. of the rural deficit, as in Exhibit 13 Schedule 1.2.1,
47. has nothing to do with the actual number of NP
48. customers and that no NP data is used in deriving
49. that figure.
50. LWHN-NLH-27 Is it accurate to say that the ultimate burden of the
51. entire rural deficit is paid by the retail customers of
52. NL Hydro in the Labrador Interconnected System
53. and the retail customers of NP, and that this is
54. reflected in those customers' energy rates?
55. LWHN-NLH-28 Is NL Hydro aware of any other subsidization
56. scheme for rural systems that uses a similar
57. allocation formula for rural deficits as the one used
58. in this province?
59. LWHN-NLH-29 Re: Response to IN-NLH-019. Please provide the
60. total annual expenditure on CDM by NL Hydro in
61. the Labrador Interconnected System from 2003 to
62. the 2013 test year inclusive. Also, for the same

63. years, provide the estimated energy savings, the
64. CDM expenditure per MW hour saved, and the net
65. price per MWh earned by NL Hydro from exporting
66. the saved energy.
67. LWHN-NLH-30 Re: Response to LWHN-004. The forecasts for
68. capacity and energy, expressed in MW and GWh
69. respectively, for the Labrador Interconnected
70. System in the response are different from those
71. given in Table 2.18 on p.2.43 of Volume I of the
72. GRA. Please explain for the difference.
73. LWHN-NLH-31 Re: Table 2.18 on p.2.43 of Volume 1 of the GRA.
74. Are the forecast figures for the available surplus in
75. the Labrador Interconnected System still
76. appropriate or should the figures in the response
77. to LWHN-004 be subtracted from the Recall
78. capacity and energy to obtain the available
79. surplus?
80. LWHN-NLH-32 Re: Table 2.18 on p.2.43 of Volume 1 of the GRA.
81. Does the forecast for electricity consumption in
82. Labrador Interconnected system anticipate the
83. reduction in consumption due to the proposed

84. increase in rates? If so, provide estimates of how
85. much higher consumption will be at current
86. electricity rates.
87. LWHN-NLH-33 Regarding the forecast of available surplus in the
88. Labrador Interconnected System, either from
89. Table 2.18 of Volume I of the GRA or since
90. updated, is the anticipated surplus reserved for
91. use in Labrador?
92. LWHN-NLH-34 Does NL Hydro anticipate utilizing any of the
93. forecast available surplus capacity and energy in
94. the Labrador Interconnected System to support,
95. directly or indirectly, Nalcor's anticipated
96. commitments to provide additional energy to
97. Emera beyond the NS Block and Supplemental
98. Power as already committed in the Maritime Link
99. Agreement?
100. LWHN-NLH-35 For the 2013 test year, please provide a monthly
101. profile of the Labrador Interconnected System's
102. requirement for capacity and energy. Is this
103. pattern typical of recent years and expected to
104. continue?

105. LWHN-NLH-36 If NL Hydro has estimates of the price-elasticity of
106. demand for the Labrador Interconnected System
107. as a whole or for its rate classes then please
108. provide.
109. LWHN-NLH-37 Re: Response to PUB-NLH-089. Since NL Hydro
110. has indicated that it is not in a position to phase-in
111. the proposed rate increases for the Labrador
112. Interconnected System customers, has it
113. considered concentrating its CDM expenditures in
114. the first year of the price increase, or even prior to
115. then, in order to ease the rate shock? Has NL
116. Hydro considered offering more generous rebates
117. on thermostats, energy-saving replacement
118. windows, insulation etc. to give ratepayers the
119. incentive and ability to adjust to the proposed rate
120. shock?
121. LWHN-NLH-38 Other than for the rural deficit, is the determination
122. of NL Hydro's revenue requirement for the
123. Labrador Interconnected System affected by NL
124. Hydro's expenses elsewhere? If so, what are
125. those expenses and their magnitudes?

126. LWHN-NLH-39 For the years 2003 to the 2013 test year inclusive,
127. please provide a table containing the following
128. annual information: NL Hydro's Net Income, NL
129. Hydro's Regulated Net Income, Dividend
130. Payments by NL Hydro, Identities of Dividend
131. Recipients. If available, provide forecasts of
132. these figures for 2014 to 2017 inclusive.
133. LWHN-NLH-40 If NL Hydro pays a dividend to Nalcor, is there any
134. policy requiring that the dividend amount be
135. passed through to the provincial government?
136. Does this dividend support any subsequent
137. dividend payment by Nalcor to the provincial
138. government?
139. LWHN-NLH-41 Are NL Hydro dividend payments to Nalcor used to
142. fund Nalcor's oil and gas projects and the Muskrat
143. Falls project?
140. LWHN-NLH-42 Please provide all available 2013 Quarterly
141. Reports to the PUB as well as the fourth quarter
142. reports for 2007 to 2012 inclusive.

143. LWHN-NLH-43 In a Newfoundland pilot study, entitled
144. REAL-TIME FEEDBACK AND RESIDENTIAL
145. ELECTRICITY CONSUMPTION: THE
146. NEWFOUNDLAND AND LABRADOR PILOT,
147. published in 2012 (available at
148. <http://socserv.mcmaster.ca/qsep/p/qsep449.pdf>) it
149. was found that placing real-time electricity
150. consumption monitors in residences resulted in
151. substantial reductions in electricity consumption.
152. Has NL Hydro considered providing incentives
153. (including free provision) for its retail customers to
154. install such devices as part of an aggressive
155. conservation program?

156. LWHN-NLH-44 Please provide a table that gives the following: (1)
157. the actual No.6 fuel expense for the Holyrood
158. generating plant to date for 2013 and the
159. corresponding figures for the same periods in
160. each year for 2007 to 2012 inclusive; (2) the 2013
161. test year amount for No.6 fuel expense as well as
162. the actual No. 6 fuel expense for each year from
163. 2007 to 2012 inclusive, and (3) the annual number

164. of barrels of fuel consumed at that plant
165. for the same years.
166. LWHN-NLH-45 Does NL Hydro coordinate spill with Deer Lake,
167. Exploits and Star Lake hydro-electric facilities? If
168. so, what is the objective of that coordination?
169. LWHN-NLH-46 Expressed in GWh, how much energy did NL spill
170. in each year from 2007 to the 2013 test year
171. inclusive? Please include the spill from the
172. Exploits and Star Lake assets in these figures.
173. LWHN-NLH-47 If NL Hydro determines that spill is necessary, how
174. does the choice of which hydraulic asset to spill
175. affect its regulated earnings and the earnings of
176. the unregulated Exploits and Star Lake assets? In
177. particular, does NL Hydro prefer to spill from its
178. own assets or from those that it operates? Please
179. explain.
180. LWHN-NLH-48 Who owns the Exploits and Star Lake assets?
181. Since when?

182. LWHN-NLH-49 Confirm that NL Hydro operates the Exploits and
183. Star Lake assets, that NL Hydro is the sole
184. customer for the energy produced by those assets,
185. and that the owner does not make the energy
186. available for sale to other parties.
187. LWHN-NLH-50 How much is NL Hydro paid to operate the
188. Exploits and Star Lake assets, and by whom? Is
189. the resulting revenue unregulated or is it a
190. contribution to the revenue requirement?
191. LWHN-NLH-51 Does NL Hydro utilize the Exploits and Star Lake
192. assets and energy so as to minimize the overall
193. cost of generating electricity on the island
194. interconnected system? How does it do this?
195. LWHN-NLH-52 Are the Exploits and Star Lake assets managed by
196. NL Hydro in the same way as if it owned them?
197. LWHN-NLH-53 Who does NL Hydro pay when purchasing Exploits
198. and Star Lake energy and capacity – the provincial
199. government or Nalcor?

200. LWHN-NLH-54 Has NL Hydro considered purchasing the Exploits
201. and Star Lake assets? Has it discussed a
202. purchase with the owner? What direction or
203. information has the provincial government given
204. NL Hydro regarding the future ownership of these
205. assets?

DATED at Labrador City, Newfoundland and Labrador this 6th day of November, 2013.

Edward M. Hearn, Q.C.

