

HAND DELIVERED

September 6, 2013

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

Ladies and Gentlemen:

Re: Newfoundland and Labrador Hydro's 2013 General Rate Application

Please find enclosed the original and 12 copies of Newfoundland Power's Requests for Information NP-NLH-1 to NP-NLH-39 in relation to the above-noted Application.

For convenience, the Requests for Information are provided on three-hole punched paper.

A copy of this letter, together with enclosures, has been forwarded directly to the parties listed below.

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

Yours very truly,



Gerard M. Hayes
Senior Counsel

Enclosures

c. Geoffrey Young
Newfoundland and Labrador Hydro

Paul Coxworthy
Stewart McKelvey

Thomas O'Reilly, QC
Vale Newfoundland & Labrador Limited

Thomas Johnson
O'Dea Earle Law Offices

Dean A. Porter
Poole Althouse



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
Newfoundland Power Inc.**

NP-NLH-1 to NP-NLH-39

September 6, 2013

Requests for Information

NP-NLH-1 In its letter to the Board on July 30, 2013, Hydro states...

“During its GRA process, Hydro will file with the Board an RSP Surplus refund plan which will recommend a methodology to be used in refunding the amount of Newfoundland Power’s RSP surplus”.

When does Hydro expect to file the RSP Refund surplus plan?

Reference: Regulated Activities

NP-NLH-2 Please provide all Power Purchase Agreements of Newfoundland and Labrador Hydro (“Hydro”) in effect with suppliers on the Island Interconnected System and Hydro Rural Systems.

NP-NLH-3 Complete the following table showing Hydro’s Reliability Measures for each year from 2007 to 2013YTD on the Island Interconnected System. Please also include Hydro’s 2013 target for each reliability measure.

Hydro Reliability Measures												
Type	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 YTD	2013 Target
SAIFI (Tx)												
SAIDI (Tx)												
SAIFI (Dn)												
SAIDI (Dn)												
DAFOR												
UFLS												

Notes:

SAIFI = System Average Interruption Frequency Index

SAIDI = System Average Interruption Duration Index

DAFOR = Derating Adjusted Forced Outage Rate

UFLS = Underfrequency Load Shedding

Tx = Transmission

Dn = Distribution

NP-NLH-4 Please provide a reconciliation for 2007 to 2013 test year of Total Operating Expenses by Functional Area provided in Regulated Activities Schedule I to Total Operating Expenses as provided in Finance Schedule I, page 9 of 11, line 36.

NP-NLH-5 Please expand Tables 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 2.11, 2.12 and 2.13 to include 2007 Test Year, 2008, 2009, 2010, 2011, 2012 and forecasts for 2014 and 2015.

NP-NLH-9 Complete the following table providing customer demand requirements at times of Hydro's Island Interconnected peak (coincident peak) for each year from 2000 through 2022 forecast.

Hydro Customer Coincident Peak Demand Requirements on the Island Interconnected System (MW)											
Year	NP	Hydro Rural	CBP&P	ACI Grand Falls	ACI Stephenville	North Atlantic Refining	Teck	Vale	Praxair	Losses	Total
2000											
2001											
2002											
...											
2012											
2013F											
2014F											
...											
2022F											

NP-NLH-10 Complete the following table providing each customer's maximum annual demand requirements for each year from 2000 through 2022 forecast.

Hydro Customer Maximum Annual Demand Requirements on the Island Interconnected System (MW)									
Year	NP	Hydro Rural	CBP&P	ACI Grand Falls	ACI Stephenville	North Atlantic Refining	Teck	Vale	Praxair
2000									
2001									
2002									
...									
2012									
2013F									
2014F									
...									
2022F									

NP-NLH-11 Please extend Regulated Activities Schedules I, II, III, IV, V, VI, VII, VIII to include 2014 and 2015 forecasts.

- NP-NLH-12 For the Island Interconnected System, provide a comparison of the 2013 test year fuel costs to 2014 and 2015 forecast fuel costs. The forecast fuel costs should be based upon the load forecast for 2014 and 2015 reflected in Table 2.17.
- NP-NLH-13 Further to Regulated Activities Schedule VI, provide the forecast purchases from Nalcor as a percentage of the total purchases on the Island Interconnected System for the period 2013 to 2022 on an energy and cost basis.
- NP-NLH-14 Further to Regulated Activities Schedule VI, provide the cost basis for the 4 ¢ per kWh price paid for purchases from Nalcor. In the response, please identify the return on equity for Nalcor reflected in the price.
- NP-NLH-15 Please provide the forecast conversion factor that best reflects the current 2014 production forecast for Holyrood on page 2.47.
- NP-NLH-16 Please complete the table below providing a summary of annual capital expenditures 2006 through 2012.

Capital Expenditures							
	2006	2007	2008	2009	2010	2011	2012
	Approved Capital Budget						
Order No.	P.U. 31 (2005)	P.U. 35 (2006)	P.U. 30 (2007)	P.U. 36 (2008)	P.U. 1 (2010)	P.U. 38 (2010)	P.U. 2 & 5 (2012)
A	Approved Budget Amount (\$000)						
B	Actual Expenditure (\$000)						
C	Carryover to Future Years (\$000)						
	Percent Complete (B/A*100%)						
	Supplemental Capital Expenditures						
D	Total Supplemental Approvals (\$000)						
E	Actual Supplemental Expenditure (\$000)						
	Percent Complete (E/D*100%)						

NP-NLH-17 Complete the following table providing hydraulic production data for the years 1994 to 2013 year to date.

Hydraulic Production Data used in RSP Adjustments				
Year	GWh Normal	GWh Actual	GWh Difference	% Difference
1994				
1995				
1996				
...				
2006				
2007				
...				
2012				
2013 YTD				
Total				

NP-NLH-18 Complete the following table providing historic information on RSP Hydraulic Production Variation balances. For the 2013 forecast, please assume no variation from normal for the remainder of the year.

Hydraulic Production Variation Balances (\$000s)				
Year	Net Hydraulic Production Variation	Financing Charges	Year-end Hydraulic Allocation for Recovery	Year-end Hydraulic Variation
Cumulative balance to year-end 2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013F				

Reference: Finance

- NP-NLH-19 Please provide the most current copies of all credit rating reports for Newfoundland and Labrador Hydro, Nalcor, and the Government of Newfoundland and Labrador.
- NP-NLH-20 For each of Finance Schedules I, II, III, and IV please extend to include 2014 forecast to 2017 forecast. Please indicate all material assumptions.
- NP-NLH-21 Please confirm that Hydro has used the same financial reporting standards for all years provided in Finance Schedule I. If not, please restate Finance Schedule I to ensure all periods are prepared in accordance with Order P.U. 13 (2012).
- NP-NLH-22 Please provide detailed amortization schedules for the amortization expense for 2012, 2013 test year (provided in Finance Schedule I, page 1 of 11), 2014 forecast and 2015 forecast. The schedule for each year should include total depreciable assets per asset group and rates applied to calculate amortization expense.
- NP-NLH-23 Please complete the table below detailing FTEs by Permanent and Standby and Temporary for 2007 to 2015 forecast.

FTEs by Permanent and Standby and Temporary 2007 to 2015F									
Type	2007	2008	2009	2010	2011	2012	2013T¹	2014F	2015F
Gross FTEs									
Permanent and Standby									
Temporary									
Total									
FTE time recovered									
Permanent and Standby									
Temporary									
Total									
Net FTEs									
Permanent and Standby									
Temporary									
Total	813	797	804	809	803	801	815		

¹ 2013 Test Year.

- NP-NLH-24 Please provide the Deloitte & Touche LLP review of the process and procedures used by Nalcor to recover costs among affiliates as referenced in Introduction Evidence, page 1.22.

NP-NLH-25 Please complete the table below providing charges from regulated Hydro to affiliates and charges to regulated Hydro from affiliates from 2007 to 2015 forecast.

Costs Charged to/from Regulated Hydro				
(\$000s)				
	Charges to Affiliates		Charges from Affiliates	
	Labour	Non-Labour	Labour	Non- Labour
2007				
2008				
2009				
2010				
2011				
2012				
2013 Test Year				
2014 Forecast				
2015 Forecast				

NP-NLH-26 Is Hydro currently under any legislative obligation to pay a debt guarantee fee to the provincial government? See Volume 1, Finance Evidence, page 3.4, lines 18 to 21. If so, please provide the legislative documentation. If not, please explain the basis for the reinstatement of the debt guarantee fee in 2011 and for the inclusion of the debt guarantee fee in the 2013 Test Year.

NP-NLH-27 Hydro is proposing the Board approve rates to become effective in 2014 based upon a 2013 test year.

For each item on Finance Schedule III, provide in tabular form a comparison of the most current 2013 forecast to 2013 test year (i.e., referred to as Proposed 2013 in Schedule III) identifying all adjustments to the test year.

NP-NLH-28 Hydro is proposing the Board approve rates to become effective in 2014 based upon a 2013 test year.

For each item on Finance Schedule III, provide in tabular form all adjustments to the 2013 test year (i.e., referred to as Proposed 2013 in Schedule III) made to ensure the rates established for 2014 will reasonably reflect the cost to provide service in 2014.

NP-NLH-29 Provide a comparison of the 2014 forecast revenues from each Island Interconnected class using the rates proposed in the Application to the 2014 forecast costs for each class. In the response, provide the revenue to cost ratios for each class with the 2014 forecast costs for each class determined based upon a 2014 forecast cost of service study.

Reference: Rates and Regulations

NP-NLH-30 Please provide the rate change table on page 3 of the letter to the Board assuming the 2013 test year was based upon forecast 2014 fuel costs. The forecast fuel costs should be based upon the load forecast for 2014 reflected in Table 2.17.

NP-NLH-31 Complete the table below assuming the proposed rates in the Application are approved. In the response, please attach the calculations supporting the response and assume an energy allocation approach in the load variation component.

Forecast RSP Load Variation Transfers					
	2013 Test Year (GWh)	Sales Forecast (GWh)	Variance	Debit or Credit to NP RSP (\$000s)	Debit or Credit to IC RSP (\$000s)
2014					
2015					
2016					
2017					

NP-NLH-32 Assuming Hydro's rate and RSP rule proposals are accepted, provide a forecast of RSP rate changes to Newfoundland Power's retail customers by year from 2014 to 2017, inclusive.

NP-NLH-33 Hydro has proposed RSP Section 1.3 to deal with Energy Supply Variation. Is Hydro also proposing changes in Section 2 of the RSP to address customer allocation of transfers resulting from the Energy Supply Variation? If yes, please provide the proposed revisions.

NP-NLH-34 Please complete the table below.

Rural Deficit by Hydro Rural System (\$000s)							
	1992	1996	2000	2008	2012	2013 Test Year	2016 Forecast
L'Anse Au Loup							
Island Interconnected							
Island Isolated							
Labrador Isolated							
Total							

NP-NLH-35 Please complete the table below providing the cost recovery percentages (i.e., revenue as a percentage of cost to serve) for each Hydro Rural System.

Rural Deficit by Hydro Rural System (% Cost Recovery)							
	1992	1996	2000	2008	2012	2013 Test Year	2016 Forecast
L'Anse Au Loup							
Island Interconnected							
Island Isolated							
Labrador Isolated							
Total							

NP-NLH-36 Provide the average marginal cost of energy on the Island Interconnected System by year for the period 2013 to 2022.

NP-NLH-37 Provide the average marginal cost of demand on the Island Interconnected System by year for the period 2013 to 2022.

NP-NLH-38 Provide the proposed account definition for the Diesel Unit Cost Variance Deferral Account. If the proposed recovery is to be dealt with through the RSP, provide the proposed RSP clause for which Hydro is requesting approval.

NP-NLH-39 Provide the proposed account definition for the Power Purchases Cost Variance Account. If the proposed recovery is to be dealt with through the RSP, provide the proposed RSP clause for which Hydro is requesting approval.

RESPECTFULLY SUBMITTED at St. John's, Newfoundland and Labrador, this 6th day of September, 2013.



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