

# Office of the Consumer Advocate

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September 6, 2017

Board of Commissions of Public Utilities  
120 Torbay Road, P.O. Box 2140  
St. John's, NL A1A 5B2

**Attention: G. Cheryl Blundon, Director of  
Corporate Services / Board Secretary**

Dear Ms. Blundon:

**RE: Newfoundland and Labrador Hydro - 2018 Capital Budget Application**

Further to the above-captioned, enclosed please find enclosed the original and twelve (12) copies of the Consumer Advocate's Requests for Information CA-NLH-001 to CA-NLH-004.

A copy of this letter, together with enclosure, 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 truly,



**Dennis Browne, Q.C.**

Encl.  
/bb

cc **Newfoundland & Labrador Hydro**  
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Geoff Young ([gyoung@nlh.nl.ca](mailto:gyoung@nlh.nl.ca))  
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**Praxair Canada Inc.**  
Sheryl Nisenbaum ([sheryl\\_nisenbaum@praxair.com](mailto:sheryl_nisenbaum@praxair.com))

**IN THE MATTER OF**

the *Electrical Power Control Act, 1994*,  
SNL 1994, Chapter E-5.1 (the “EPCA”)  
and the *Public Utilities Act, RSNL 1990*,  
Chapter P-47 (the “Act”), as amended, and  
regulations thereunder; and

**IN THE MATTER OF**

an Application by Newfoundland and Labrador Hydro  
for an Order approving:

- 1) its 2018 capital budget pursuant to s. 41(1) of the *Act*;
- 2) its 2018 capital purchases and construction projects in excess of \$50,000 pursuant to s. 41(3)(a) of the *Act*;
- 3) its leases in excess of \$5,000 pursuant to s. 41(3)(b) of the *Act*;
- 4) its estimated contributions in aid of construction for 2018 pursuant to s. 41(5) of the *Act*.

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**CONSUMER ADVOCATE  
REQUESTS FOR INFORMATION**

**CA-NLH-001 to CA-NLH-004**

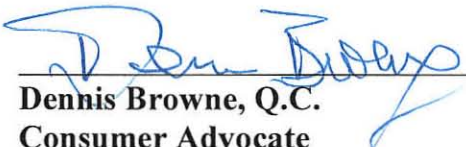
**Issued: September 6, 2017**

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- 1 CA-NLH-001 In the supplemental projects in reference to the Labrador West transmission  
2 project for the construction of the third transmission line in Labrador, the  
3 Applicant states that all project costs incurred to date are covered by the  
4 security Alderon has already provided and that construction will proceed  
5 through additional funding to be secured.  
6
- 7 (a) Is there a time limit on the 2014 approval re this Labrador West  
8 transmission line?  
9
- 10 (b) What is the form of security Alderon has provided and what is the value  
11 of that security. How is that security held and with whom? Has Alderon  
12 requested a return of that security?  
13
- 14 (c) What is the amount that Alderon will pay based on a \$329,592,000 cost?  
15
- 16 (d) How will cost overruns be handled?  
17
- 18 (e) How many megawatts will Alderon require?  
19
- 20 (f) Where will the power to supply Alderon come from?  
21
- 22 (g) Will Alderon pay completely for this transmission line?  
23
- 24 (h) How will the net costs be recovered from ratepayers in future rate  
25 setting?  
26
- 27 (i) What percentage of the cost will be attributed to Alderon?  
28
- 29 (j) What costs will be attributed to Labrador ratepayers?  
30
- 31 (k) What costs will be attributed to ratepayers on the island?  
32
- 33 CA-NLH-002 Re: NLH CB 2018-D-15 – Operating the Overhead Crane from the Cab of  
34 the Crane Exposes the Operator to Unsafe Temperatures.  
35
- 36 (a) How long has the Holyrood overhead crane operated and been  
37 exposed to unsafe temperatures? Please provide details.

- 1 CA-NLH-003 Re: NLH Capital Budget 2018 – Tab 31, p. 1 – Upgrade to Hydro Place -  
2 \$665,000  
3  
4 (a) Who owns the Hydro Place building?  
5  
6 (b) What corporate entities occupy the Hydro Place building?  
7  
8 (c) What portion of the Hydro Place building is occupied by NL Hydro?  
9 What portion of the Hydro Place building is occupied by Nalcor?  
10 What portion of the Hydro Place building is occupied by other  
11 corporate entities?  
12  
13 (d) Please provide particulars as to why NL Hydro is seeking funds from  
14 ratepayers for a building that is also occupied by Nalcor?  
15  
16 (e) Are there leases in place pertaining to space occupied by various  
17 entities in Hydro Place?  
18  
19 (f) How is the space allocated?  
20  
21 (g) What payment schemes are in place for the various occupant  
22 entitles?  
23  
24 CA- NLH-004 Re: Muskrat Falls/Happy Valley Interconnection.  
25  
26 Order in Council OC-2013-343 directs that costs associated with the  
27 Muskrat Falls project be recovered from Island Interconnected Rates but  
28 prohibits the recovery of these costs until the project is commissioned or  
29 near commissioned and Hydro is receiving services. (Emphasis added.)  
30  
31 (a) How does the project budget estimates and proposed costs comply with  
32 this Order-in-Council?

**DATED** at St. John's, Newfoundland and Labrador, this 6<sup>th</sup> day of September, 2017.

Per:   
**Dennis Browne, Q.C.**  
**Consumer Advocate**  
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