



NEWFOUNDLAND AND LABRADOR  
**BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**  
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

E-mail: ShirleyWalsh@nlh.nl.ca

2018-10-24

Ms. Shirley Walsh  
Senior Legal Counsel - Regulatory  
Newfoundland and Labrador Hydro  
P.O. Box 12400  
St. John's, NL A1B 4K7

Dear Ms. Walsh:

**Re: Newfoundland and Labrador Hydro - Network Additions Policy Review**

In correspondence dated October 1, 2018 Hydro filed a Network Additions Policy Review and explained that it had determined an enhancement to the current policy is warranted. Hydro advised that it will file a proposal in relation to the Labrador Interconnected system with the Board by December 15, 2018.


Hydro did not explain why the Network Addition Policy was not filed on October 1, 2018 in accordance with its April 30, 2018 correspondence filed pursuant to the direction of the Board in Order No. P. U. 9(2018). In addition Hydro did not address the potential impact of this delay and whether it would allow sufficient time to address the issues on the Labrador Interconnected system for the 2019-2020 winter season, bearing in mind the need for regulatory approvals and the short construction season in Labrador. The Board notes that the Muskrat Falls to Happy Valley-Goose Bay Interconnection project has been deferred pending receipt of the network additions policy and other information to be filed at the end of October 2018. Hydro did not explain how this delay will impact the completion of this project.

Hydro also explained in its October 1, 2018 correspondence that based on a review of Hydro's transmission plan for the Island Interconnected system it is not proposing, at this time, any change in its approach to new network additions on the Island Interconnected system. Hydro did not provide the details of this review and how it came to this conclusion. Neither did Hydro explain how this determination relates to its response to IOC-NLH-033 in its 2017 general rate application that a network addition policy was being developed to meet the requirements to provide open access transmission. While Hydro advised that it would inform the Board and stakeholders if fairness concerns arise with respect to the requirement for new network additions on the Island Interconnected system, it did not set out the work that was being done to ensure there were no fairness issues and to otherwise ensure appropriate consistencies in the network addition policies for both systems.

In light of the foregoing, the Board requires that Hydro provide an explanation as to why the Network Additions Policy was not filed on October 1, 2018, in accordance with Hydro's own schedule. Further Hydro should confirm that the proposed filing date for the Network Additions Policy will allow the necessary and appropriate measures to be implemented in Labrador East for next winter. Finally Hydro should advise as to how it will address the issues related to network additions on the Island Interconnected system.

The Board looks forward to Hydro's reply by October 31, 2018. If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, [jglynn@pub.nl.ca](mailto:jglynn@pub.nl.ca) or by telephone 709-726-6781.

Sincerely,

  
Cheryl Blundon  
Board Secretary

CB/cj

ecc **Newfoundland & Labrador Hydro**  
NLH Regulatory, E-mail: [NLHRegulatory@nlh.nl.ca](mailto:NLHRegulatory@nlh.nl.ca)  
**Newfoundland Power Inc.**  
Mr. Gerard Hayes, E-mail: [ghayes@newfoundlandpower.com](mailto:ghayes@newfoundlandpower.com)  
NP Regulatory, E-mail: [regulatory@newfoundlandpower.com](mailto:regulatory@newfoundlandpower.com)  
**Consumer Advocate**  
Mr. Dennis Browne, Q.C., E-mail: [dbrowne@bfma-law.com](mailto:dbrowne@bfma-law.com)  
Mr. Stephen Fitzgerald, E-mail: [sfitzgerald@bfma-law.com](mailto:sfitzgerald@bfma-law.com)  
Ms. Sarah Fitzgerald, E-mail: [sarahfitzgerald@bfma-law.com](mailto:sarahfitzgerald@bfma-law.com)  
Ms. Bernice Bailey, E-mail: [bbailey@bfma-law.com](mailto:bbailey@bfma-law.com)

**Island Industrial Customers Group**  
Mr. Paul Coxworthy, E-mail: [pcoxworthy@stewartmckelvey.com](mailto:pcoxworthy@stewartmckelvey.com)  
Mr. Dean Porter, E-mail: [dporter@poolealthouse.ca](mailto:dporter@poolealthouse.ca)  
Mr. Denis Fleming, E-mail: [dfleming@coxandpalmer.com](mailto:dfleming@coxandpalmer.com)  
**Iron Ore Company of Canada**  
Mr. Van Alexopoulos, E-mail: [Van.Alexopoulos@ironore.ca](mailto:Van.Alexopoulos@ironore.ca)  
Mr. Benoit Pepin, E-mail: [benoit.pepin@riotinto.com](mailto:benoit.pepin@riotinto.com)  
**Labrador Interconnected Group**  
Mr. Senwung Luk, E-mail: [sluk@oktlaw.com](mailto:sluk@oktlaw.com)