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We'll be there.



August 24, 2022

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 – 2023 Capital Budget Application

Please find enclosed Newfoundland Power's Requests for Information NP-NLH-001 to NP-NLH-025 in relation to the above-noted Application.

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

Yours truly,

A handwritten signature in blue ink that reads "D. Foley". The signature is stylized with a large, sweeping flourish at the end.

Dominic Foley
Legal Counsel

ec. Shirley Walsh
Newfoundland & Labrador Hydro

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IN THE MATTER OF the Public Utilities Act,
RSNL 1990, c P-47 ("Act"); and

IN THE MATTER OF an application by
Newfoundland and Labrador Hydro ("Hydro")
for approval of: (i) its capital budget for 2023,
pursuant to Section 41(1) of the Act, (ii) its
proposed capital purchases and construction
projects for 2023 in excess of \$50,000,
pursuant to Section 41(3)(a) of the Act, and
(iii) for an Order, pursuant to Section 78 of
the Act, fixing and determining its average
rate base for 2021 ("Application").

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

NP-NLH-001 to NP-NLH-025

August 24, 2022

Requests for Information

Reference: **Volume I, 2023 Capital Budget Overview, page 1, lines 20-23.**

NP-NLH-001 Please complete the following table detailing Hydro's capital budgets and supplemental capital applications approved, pending or planned over the period 2017 to 2027 forecast.

Table 1: Capital Budgets and Supplemental Capital Projects 2017-2023 (\$000s)			
Year	Capital Budget (A)	Supplemental Applications (B)	Total (C) = (A) + (B)
...			

NP-NLH-002 In Hydro's *2021 Annual Performance Report*, Hydro advised that it received applications for 8,000 MW of new load under the heading "advanced planned initiatives to reliably meet growing customer needs in Labrador". Please identify all projects included in Hydro's five-year capital plan intended to address potential load growth in Labrador.

NP-NLH-003 Please identify all projects included in Hydro's five-year capital plan related to future generation requirements from the Holyrood TGS or other generation alternatives to address concerns surrounding the reliability of the Labrador-Island Link.

Reference: **Volume I, 2023 Capital Budget Overview, page 2, footnote 2.**

NP-NLH-004 Were the 2023 capital expenditures applied for under supplemental applications outlined in footnote 2 included in Hydro's 2022 five-year capital plan?

Reference: **Volume I, 2023 Capital Budget Overview, page 6, lines 3 to 7.**

NP-NLH-005 Please describe how Hydro's corporate evaluation matrix is aligned with the *ISO 31000 Risk Management Standard*.

Reference: **Volume I, 2023 Capital Budget Overview, page 21, lines 12 to 17 and page 22, lines 1 and 2.**

NP-NLH-006 Please provide a table reconciling Hydro's proposed 2023 capital expenditure of \$90.8 million, for which Hydro is seeking approval in its *2023 Capital Budget Application*, with Hydro's total planned 2023 capital spend of \$104.5 million.

Reference: **Volume I, 2023 Capital Budget Overview, Appendix B, page B-4.**

NP-NLH-007 Please confirm that multi-year programs and projects commencing in 2023 include capital expenditures of \$36,348,300 in 2024 and \$1,586,600 in 2025, respectively. Are these amounts included in Hydro's Application? If not, why not?

Reference: **Volume II, 2023 Capital Budget Application, Program 3, Terminal Station Renewal Program, page 5, Chart 3 and Table 3.**

NP-NLH-008 In Table 3, Hydro has identified six disconnect switch replacements for 2023 and 2024. Chart 3 indicates there have been in excess of 100 switch replacements in the last five years and there remain in excess of 160 switches over 50 years in service. Please explain how Hydro intends to address the replacement of these 160 switches in its five-year capital plan.

Reference: **Volume II, 2023 Capital Budget Application, Program 3, Terminal Station Renewal Program, page 6, Chart 4 and Table 4.**

NP-NLH-009 Please reconcile the 2023 and 2024 expenditures as shown in Table 4 and Chart 4.

Reference: **Volume II, 2023 Capital Budget Application, Program 3, Terminal Station Renewal Program, pages 10 and 13, Charts 8, 9 and 10.**

NP-NLH-010 Please detail how asset counts, unit costs and budgets were determined for each of the years, 2025, 2026 and 2027.

Reference: **Volume II, 2023 Capital Budget Application, Program 3, Terminal Station Renewal Program, pages 20 and 23, Charts 16, 17 and 18.**

NP-NLH-011 Please provide a table that includes columns for the protective relay assets installed/replaced/upgraded, average unit cost and program budget for each year from 2017 through 2027.

Reference: **Volume II, 2023 Capital Budget Application, Program 6, Distribution System In-Service Failures, Miscellaneous Upgrades, and Street Lights (2023), page 1, lines 4 to 7.**

NP-NLH-012 Please describe Hydro's preventative maintenance program, including inspection programs and frequency, for its distribution system assets.

Reference: **Volume II, 2023 Capital Budget Application, Program 11, Replace Light- and Heavy-Duty Vehicles (2023–2025), page 4, lines 2 to 5 and Chart 5.**

NP-NLH-013 Please provide a separate chart similar to Chart 5 for light-duty vehicles and heavy-duty vehicles with the overheads and efficiencies gained from combining the scopes of work removed.

Reference: **Volume II, 2023 Capital Budget Application, Program 14, Upgrade of Worst-Performing Distribution Feeders (2023–2024), page 2, lines 4 to 6.**

NP-NLH-014 Please explain what Hydro means by the phrase "greatest benefit to the overall distribution system reliability". For clarity, what impact does the existing reliability performance of distribution feeder FHD-L1 have on overall distribution system reliability and what impact will the refurbished FHD-L1 have on overall distribution system reliability?

Reference: **Volume II, 2023 Capital Budget Application, Program 14, Upgrade of Worst-Performing Distribution Feeders (2023–2024), page 6, lines 7 to 10.**

NP-NLH-015 Has Hydro considered installing remotely monitored and controlled down line reclosers instead of gang operated switches to reduce outage time? If not, why not?

Reference: **Volume II, 2023 Capital Budget Application, Program 14, Upgrade of Worst-Performing Distribution Feeders (2023–2024), page 6, footnote 12.**

NP-NLH-016 Of the FHD-L1 historical SAIDI value of 10.65 over the 2017 to 2021 period, what portion can be attributed to ferry travel? Following refurbishment of FHD-L1, will the same outage times related to travel delays still occur?

Reference: **Volume II, 2023 Capital Budget Application, Program 14, Upgrade of Worst-Performing Distribution Feeders (2023–2024), page 8, lines 1 to 4.**

NP-NLH-017 How many kilometres of #2 ACSR on FHD-L1 are planned to be replaced?

- Reference:** **Volume II, 2023 Capital Budget Application, Program 15, Wood Pole Line Management Program (2023), page 7, Chart 2 and page 8, Chart 3.**
- NP-NLH-018 Please provide the data tables that were used to create Chart 2 and Chart 3.
- NP-NLH-019 Please reproduce Chart 3 to include only Hydro's wood transmission pole assets that have an expected remaining service life of >50 years.
- Reference:** **Volume II, 2023 Capital Budget Application, Program 15, Wood Pole Line Management Program (2023), page 13, Tables 7 and 8, and page 14, Table 9.**
- NP-NLH-020 Please provide a breakdown of the 2023 project estimate of \$2.8 million by the inspection and refurbishment plans as outlined in Tables 7 and 8.
- Reference:** **Volume II, 2023 Capital Budget Application, Program 18, Hydraulic Unit Overhauls Program (2023), page 6, Chart 2.**
- NP-NLH-021 Please provide a table covering the period from 2017 to 2027 identifying which hydraulic generating units were overhauled and plan to be overhauled.
- Reference:** **Volume II, 2023 Capital Budget Application, Project 1, Additions for Load Growth – Upgrade Transformer Capacity (2023–2024) – Jean Lake Terminal Station, Attachment 1, page 6, Table 3, and page 9, lines 12 to 16.**
- NP-NLH-022 Are load transfers to Labrador City Terminal Station, either permanent or temporary, a reasonable alternative? If yes, please explain why the alternative was not evaluated. If not, why not?
- NP-NLH-023 Please provide net present value calculations for each of the four alternatives evaluated.
- NP-NLH-024 Please provide a sensitivity analysis for variations in forecasted load in Table 3 such as with the cryptocurrency mining customer load of 0.489 MW in 2024 removed. Please include net present value calculations for each of the alternatives evaluated in the sensitivity analysis.
- Reference:** **Volume II, 2023 Capital Budget Application, Project 10 Purchase Meters and Metering Equipment (2023), page 1, lines 13-14.**
- NP-NLH-025 Please provide an update on the planning, design and procurement activities identified in the project schedule for the Replace Metering System project submitted with the *2022 Capital Budget Application*.

RESPECTFULLY SUBMITTED at St. John's, Newfoundland and Labrador, this 24th day of August, 2022.

A handwritten signature in blue ink, appearing to read 'D. Doley', with a large, sweeping flourish at the bottom.

NEWFOUNDLAND POWER INC.

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