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We'll be there.



August 30, 2024

Board of Commissioners  
of Public Utilities  
P.O. Box 21040  
120 Torbay Road  
St. John's, NL A1A 5B2

Attention: Jo-Anne Galarneau  
Executive Director and Board Secretary

Dear Ms. Galarneau:

**Re: Newfoundland and Labrador Hydro – 2025 Capital Budget Application**

Please find enclosed Newfoundland Power's Requests for Information NP-NLH-001 to NP-NLH-020 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 "Dominic Foley". The signature is written in a cursive style with a large, sweeping "D" and "F".

Dominic Foley  
Legal Counsel

cc. Shirley Walsh  
Newfoundland & Labrador Hydro

Dennis M. Browne, K.C.  
Browne Fitzgerald Morgan & Avis

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**Newfoundland Power Inc.**

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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 2025, pursuant to Section 41(1) of the Act, (ii) its proposed capital purchases and construction projects for 2025 in excess of \$750,000, pursuant to Section 41(3)(a) of the Act, (iii) contributions by certain Customers for contributions towards the cost of improvements to certain property, pursuant to Section 41(5) of the Act, and (iv) for an Order, pursuant to Section 78 of the Act, fixing and determining its average rate base for 2023 (“Application”).

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

**NP-NLH-001 to NP-NLH-020**

**August 30, 2024**

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### Requests for Information

- NP-NLH-001      **Reference: 2025 Capital Budget Application, Schedule 1, 2025 Capital Budget Overview, page ii, lines 4 to 8.**
- Has Hydro made any changes to its capital planning based on the Provincial Government’s rate mitigation announcement? If so, please describe the changes. If not, why not?
- NP-NLH-002      **Reference: 2025 Capital Budget Application, Schedule 2, Five-Year Capital Plan (2025-2029), page 1, lines 19 to 22.**
- Has Hydro included any capital investments in the five-year plan required to interconnect the “up to 400 MW of wind energy” identified in the *2024 Resource Adequacy Plan*.
- NP-NLH-003      **Reference: 2025 Capital Budget Application, Schedule 3, Holyrood Thermal Generating Station Overview, page 9, section 6.0 and page 14, section 7.0.**
- Please provide a table showing the actual and forecast capital expenditures, operating and maintenance costs, and fuel costs required to operate the Holyrood plant in each year from 2020 to 2029F.
- NP-NLH-004      **Reference: 2025 Capital Budget Application, Schedule 3, Holyrood Thermal Generating Station Overview, page 9, lines 5 to 8.**
- Does Hydro anticipate that the execution of any of the capital projects identified in the five-year plan will impact the available capacity of the Holyrood plant during the peak winter season?
- NP-NLH-005      **Reference: 2025 Capital Budget Application, Schedule 4, Bay d’Espoir Hydroelectric Generating Station, page 11, lines 15 to 16.**
- Does Hydro anticipate that the execution of any of the capital projects identified in the five-year plan will impact the available capacity of the Bay d’Espoir plant during the peak winter season?

NP-NLH-006 **Reference: 2025 Capital Budget Application, Program 2, Upgrade Worst-Performing Distribution Feeders (2025-2027), page 1, lines 13 to 14.**

Hydro indicates that it has combined the scope of this program with the Renew Distribution Feeders program. Please explain how upgrades to worst-performing distribution feeders conforms with the definition of program as established in the Provisional Guidelines.

NP-NLH-007 **Reference: 2025 Capital Budget Application, Program 2, Upgrade Worst-Performing Distribution Feeders (2025-2027), page 15, Figure 17 and pages A-1 to A-3.**

- a) Please provide a customer count for each downline recloser shown in Figure 17.
- b) Please provide a customer count and peak demand for the feeders in tables A-1 through A-3.

NP-NLH-008 **Reference: 2025 Capital Budget Application, Program 4, Distribution System In-Service Failures, Miscellaneous Upgrades and Street Lights (2025), page i, lines 23 to 24.**

Please explain the rationale for proposing the purchase of a spare substation power transformer. Please explain how Hydro determines the requirement for a spare transformer, including its size and configuration. Does Hydro have plans to purchase any additional spare transformers in its five-year plan?

NP-NLH-009 **Reference: 2025 Capital Budget Application, Program 7, Perform Boiler Condition Assessment and Miscellaneous Upgrades (2025) – Holyrood, page 1, lines 10 to 14.**

Please provide further detail on what a Level 2 Condition Assessment entails, and provide the basis for the program budget.

NP-NLH-010 **Reference: 2025 Capital Budget Application, Program 9, Replace Mobile Equipment (2025-2027), page 1, lines 7 to 8 and lines 20 to 22, and page 3, lines 12 to 13.**

The Replace Mobile Equipment (2025-2027) program proposes replacement of three heavy-duty assets and 38 light-duty assets. Hydro states that *“Hydro has identified opportunities for potential efficiencies by including these assets in this program going forward.”* Please identify and quantify these potential efficiencies.

NP-NLH-011 **Reference: 2025 Capital Budget Application, Program 10, Wood Pole Line Management (2025), page 3, lines 4 to 6 and lines 12 to 14.**

- a) Does Hydro re-test wood poles that have undergone retreatment to verify the effectiveness of their retreatment in restoring preservative levels above the threshold needed to prevent decay from fungi and insects? If not, why not?
- b) During detailed inspections, does Hydro fully or partially excavate around their poles to determine if there is decay present below the groundline? If not, why not?
- c) Does Hydro attribute the 15-year increase in expected useful life entirely to its wood pole retreatment program? If not, what other factors does Hydro attribute to the increase?

NP-NLH-012 **Reference: 2025 Capital Budget Application, Program 15, Upgrade Power Transformers, page 10, lines 2 to 11.**

How does Hydro prioritize transformers for the installation of online DGA monitors?

NP-NLH-013 **Reference: 2025 Capital Budget Application, Program 16, Purchase Tools and Equipment (2025), page 4, lines 4 to 6 and page 5, Chart 1.**

- a) Is Hydro's Purchase Tools and Equipment program used to supply day-to-day operations? Are outlier purchases included in other programs and/or projects?
- b) Please explain the increase in price for 2023 and 2025 onward, as shown in Chart 1.

NP-NLH-014 **Reference: 2025 Capital Budget Application, Program 20, Overhaul Diesel Units (2025), page 8, Chart 4.**

Please explain why the forecast program budget for 2026 to 2029 is substantially higher than prior years.

NP-NLH-015 **Reference: 2025 Capital Budget Application, Program 22, Diesel In-Service Failures (2025), page 5, lines 9 to 11.**

Please provide additional details on the basis for the program budget.

NP-NLH-016      **Reference: 2025 Capital Budget Application, Project 5, Install Mid-Span Structures TL220 (2025-2026), page 3, footnote 2.**

*“The required design ice load for this line is a radial ice loading of 1 inch.”*

Please describe Hydro’s justification for using a one-inch radial ice thickness in its required design.

NP-NLH-017      **Reference: 2025 Capital Budget Application, Project 5, Install Mid-Span Structures TL220 (2025-2026), page 3, lines 4 to 6.**

Page A-9 of Appendix A to Hydro’s Five-Year Capital Plan (2025-2026) indicates another project on TL220: “Relocate Section of Line (2026-2028) – TL220.” Are any of the mid-span poles located in the section that is planned for future relocation?

NP-NLH-018      **Reference: 2025 Capital Budget Application, Project 5, Install Mid-Span Structures TL220 (2025-2026), page 4, lines 14 to 18.**

Hydro does not list re-sagging the conductor as an alternative. Was this considered? If not, why not?

NP-NLH-019      **Reference: 2025 Capital Budget Application, Project 5, Install Mid-Span Structures TL220 (2025-2026), page 6, lines 2 to 3, and Table 4.**

This project scope involves installing 11 mid-span structures at a cost of \$1.1 million. Is this estimate consistent with similar projects completed by Hydro in recent years, in terms of cost per structure?

NP-NLH-020

**Reference: 2025 Capital Budget Application, Project 6, Replace Interconnect Microwave Radios (2025), page 2, lines 2 to 5.**

- a) Please confirm whether system communications between Muskrat Falls, Soldier's Pond and the Newfoundland and Labrador System Operator's Energy Control Centre ("ECC") will be interrupted in the event of an Optical Ground Wire ("OPGW") failure on the Labrador-Island Link ("LIL").
- b) Please provide details of the communications system redundancy and/or backup.
- c) Will ECC monitoring and control of devices at the Muskrat Falls facility be impacted by an OPGW failure and reliance on the backup system?
- d) Will protection schemes, including but not limited to automated roll back of exports over the Maritime Link, be affected by an OPGW failure and reliance on the backup system?
- e) Are there any operating limits, constraints or special operating procedures for the LIL in the event of an OPGW failure?

**RESPECTFULLY SUBMITTED** at St. John's, Newfoundland and Labrador, this 30<sup>th</sup> day of August, 2024.



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