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July 29, 2026

Via Courier

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

Attention: Mike McNiven, Board Secretary

Dear Mr. McNiven:

Re: Newfoundland and Labrador Hydro 2026 General Rate Application
Requests for Information of the Iron Ore Company of Canada

Please find attached Requests for Information IOC-NLH-001 to IOC-NLH-023 on behalf of Iron Ore Company of Canada, in relation to NL Hydro's 2026 General Rate Application.

We trust the above and enclosed to be in order.

Sincerely,

Stewart McKelvey

Gregory A.C. Moores, K.C.*
Partner

GAM/dn

Enclosure
c. Public Utilities Board:
Jacqui Glynn
Ryan Oake
Colleen Jones
Board Record
Michael Collins

Newfoundland and Labrador Hydro:
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Newfoundland Power Inc.:

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Consumer Advocate:
Adrienne H. Y. Ding
Justin W. King, O'Dea Earle
Consumer Advocate General

Labrador Interconnected Group:
Nicholas E. Kennedy, Olthius Kleer Townshed LLP

Island Industrial Group:
Paul L. Coxworthy, Stewart McKelvey
Denis J. Fleming, Cox & Palmer
Glen G. Seaborn, Poole Althouse

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IN THE MATTER OF the *Electrical Power Control Act, 1994,* Chapter E-5.1 and the *Public Utilities Act,* RSNL 1990, Chapter P-47, and regulations thereunder; and

AND IN THE MATTER OF a general rate application by Newfoundland and Labrador Hydro to establish customer electricity rates for 2027.

TO: The Newfoundland and Labrador Board of Commissioners of Public Utilities ("the Board")

REQUESTS FOR INFORMATION OF THE IRON ORE COMPANY OF CANADA IOC-NLH-001 to IOC-NLH-024

REQUESTS FOR INFORMATION IOC-NLH-001 TO IOC-NLH-003: TRANSMISSION ADDITIONS TO THE LABRADOR INTERCONNECTED RATE BASE SINCE THE 2019 TEST YEAR

Reference:

Vol. I, Schedule F 2.6E (2027 TY Cost of Service Study, Labrador Interconnected, Functional Classification of Rate Base), pp. 1–2 (PDF pp. 295–296); Vol. I, Ch. 6, sec. 6.9.1, p. 6.29, ll. 2–8 (PDF p. 203); Vol. I, Ch. 5, sec. 5.3, Table 5-7, p. 5.11 (PDF p. 154).

Preamble:

The Application discloses the 2027 Test Year transmission rate base for the Labrador Interconnected System but does not identify the specific transmission additions made since the 2019 Test Year, or the change in that rate base over the period, on which the proposed increase depends.

IOC-NLH-001 Provide an itemized list of all transmission additions to the Labrador Interconnected System rate base between the 2019 and 2027 Test Years, showing for each: project name, description, in-service date, and capital cost.

IOC-NLH-002 Provide a continuity/bridge schedule reconciling the Labrador Interconnected System transmission rate base from the 2019 Test Year to the 2027 Test Year (opening balance, additions, retirements, accumulated depreciation, closing balance).

IOC-NLH-003 For each material addition identified in IOC-NLH-001, state the customer class(es) the asset serves and the basis on which its cost is allocated to Labrador Industrial customers.

REQUESTS FOR INFORMATION IOC-NLH-004 TO IOC-NLH-005: ALLOCATION OF TRANSMISSION COSTS AMONG LABRADOR INDUSTRIAL, THE ISLAND SYSTEM, THE LIL AND MUSKRAT FALLS

Reference:

Vol. I, Ch. 6, secs. 6.2–6.2.1, pp. 6.2–6.4 (PDF pp. 176–178) (implementation of Board Order No. P.U. 37(2019), items 1), 4) and 6)); Vol. I, Schedules F 2.1E and F 2.6E (PDF pp. 287–288, 295–296).

Preamble:

IOC's transmission charge is levied per kilowatt of billing demand on the transmission assets serving the Labrador operations. Board Order No. P.U. 37(2019), reached by agreement with the intervenors, provides that Muskrat Falls Project costs — inclusive of Muskrat Falls generation, the Labrador–Island Link (LIL) and the Labrador Transmission Assets — are recovered through customers on the Island Interconnected System. IOC seeks to confirm it is not being allocated costs of assets that do not serve Labrador Industrial load.

IOC-NLH-004 Identify which of the transmission additions in IOC-NLH-001 serve Labrador Industrial load, and which serve the broader Island Interconnected System, the Labrador–Island Link, or the Muskrat Falls Project.

IOC-NLH-005 Confirm, consistent with the 2019 Settlement Agreement as approved in Board Order No. P.U. 37(2019) and implemented in the Application (section 6.2, items 1), 4) and 6)), that no costs of the Muskrat Falls Project — including Muskrat Falls generation, the Labrador–Island Link, or the Labrador Transmission Assets — nor any other Island Interconnected System costs are recovered, directly or indirectly, through the Labrador Industrial transmission demand rate; if any such costs are included, quantify the amount and explain the rationale.

REQUEST FOR INFORMATION IOC-NLH-006: ITEMIZATION OF THE PROPOSED TRANSMISSION DEMAND RATE INCREASE

Reference:

$1.49 → $2.40 per kW/month (blended +61%); transmission sub-component $1.08 → $2.00 per kW/month (+85%) — Vol. I, Ch. 6, sec. 6.9.1, p. 6.29 (PDF p. 203); Vol. I, Ch. 1, sec. 1.7.2, p. 1.22 (PDF p. 55); Vol. I, Application, para. (xviii)(a), p. 11 (PDF p. 28).

Preamble:

IOC seeks to understand the drivers of the proposed increase in order to assess whether each component is justified and properly allocated.

IOC-NLH-006 Itemize the proposed increase in the Labrador Industrial transmission demand rate into the contribution of each of the following, expressed in both dollars per kW/month and as a percentage of the total increase:

(a) transmission rate base growth;

(b) any change in the functionalization or classification of transmission-related costs implemented since the 2019 Test Year, including any Muskrat Falls Project-related amounts, if any;

(c) changes in the allowed return / cost of capital;

(d) changes in depreciation; and

(e) changes in billing determinants.

REQUESTS FOR INFORMATION IOC-NLH-007 TO IOC-NLH-009: COST-OF-SERVICE METHODOLOGY CHANGE AND ITS EFFECT ON LABRADOR INDUSTRIAL

Reference:

Vol. I, Ch. 6, secs. 6.2–6.3, pp. 6.2–6.10 (PDF pp. 176–184); Vol. I, Schedule F (2027 TY Cost of Service Study), Labrador Interconnected schedules F 2.1E–F 3.2E (PDF pp. 287–302); Vol. I, Schedule G (2027 TY COS, Excluding Rate Mitigation) (PDF pp. 357–464).

Preamble:

The Application implements the cost-of-service methodology approved in Board Order No. P.U. 37(2019) and addressed in the 2025 Cost of Service Methodology Application, under which Muskrat Falls Project costs are functionalized as generation. IOC seeks to isolate the effect of the methodology change on the allocation to Labrador Industrial customers.

IOC-NLH-007 Explain how the proposed cost-of-service methodology changes the allocation of transmission costs to Labrador Industrial customers compared with the methodology used in the 2019 Test Year and provide a quantified before-and-after comparison.

IOC-NLH-008 Provide the cost allocation factors applied to transmission demand for the Labrador Industrial class in the 2027 Test Year, and the equivalent factors for the 2019 Test Year, with an explanation of any change.

IOC-NLH-009 Provide the working cost-of-service model and supporting workpapers underlying the Labrador Interconnected schedules of Schedule F, in native electronic format with formulas intact, together with the equivalent schedules from the 2019 Test Year Cost of Service Study.

REQUESTS FOR INFORMATION IOC-NLH-010 TO IOC-NLH-012: BASIS FOR THE INCREASED LOAD RATIONALE (ENERGY VERSUS DEMAND)

Reference:

Vol. II, Exhibit 4 (Load Forecast and Sources of Supply), sec. 2.2.1, Table 9, p. 15 (PDF p. 105); Vol. I, Ch. 6, sec. 6.9.1, p. 6.29 (PDF p. 203); Vol. I, Schedule A-II (PDF p. 212); billing determinants — Vol. I, Schedule F 3.1E, p. 1, l. 2 (PDF p. 297).

Preamble:

Section 6.9.1 attributes part of the increase to "an increase in cost allocated to this customer class due to increased load." Schedule A-II shows forecast Labrador Industrial demand increasing from 293.0 MW to 317.0 MW (approximately 8%), while Exhibit 4, Table 9 shows class energy requirements declining from 2,026 GWh to 1,902 GWh (-6.1%). Schedule F 3.1E applies a production demand of 317,009 kW and a transmission coincident peak of 298,387 kW for the class. The proposed transmission demand rate increases by approximately 85%. All else equal, a higher billing determinant would reduce, not increase, the unit rate.

IOC-NLH-010 Confirm that the "increased load" referred to in section 6.9.1 is the increase in forecast Labrador Industrial class demand from 293.0 MW to 317.0 MW reflected in Schedule A-II; state the load measure relied upon (billing demand, transmission coincident peak, or other), noting that Schedule A-II reports annual maximum customer demands.

IOC-NLH-011 Explain and quantify how an approximately 8% increase in class demand contributes to an approximately 85% increase in the transmission demand rate, identifying the offsetting effect of the higher billing determinant on the unit rate.

IOC-NLH-012 Provide the derivation of the Labrador Industrial billing determinants applied in the 2027 Test Year Cost of Service Study — the production demand of 317,009 kW and the transmission coincident peak of 298,387 kW in Schedule F 3.1E — including the methodology by which the transmission coincident peak allocator is derived from customer load forecasts, and provide the equivalent determinants and allocation factors used in the 2019 Test Year.

REQUESTS FOR INFORMATION IOC-NLH-013 TO IOC-NLH-014: RATE-INCREASE DISPARITY VERSUS THE PHASED LABRADOR RETAIL INCREASE

Reference:

Vol. I, Ch. 1, sec. 1.7.2, Table 1-1, p. 1.21 (PDF p. 54); Vol. I, Ch. 6, sec. 6.8.3, p. 6.27 (PDF p. 201); Vol. I, Application, paras. (xvi) and (xviii), p. 11 (PDF p. 28); Notice of Application, June 18, 2026, p. 1.

Preamble:

Retail rates on the Labrador Interconnected System are proposed to be phased in over multiple years, beginning with a 2.25% increase effective 1 July 2027, whereas the Labrador Industrial transmission demand rate is proposed to take effect in full and at once, with no phase-in. IOC seeks the basis for the difference in treatment.

IOC-NLH-013 Explain the basis for applying a multi-year phase-in to other Labrador Interconnected System customers while proposing to implement the full Labrador Industrial transmission demand increase in a single step.

IOC-NLH-014 State whether any phase-in or other gradualism is proposed for the Labrador Industrial demand rate and, if not, explain why not.

REQUESTS FOR INFORMATION IOC-NLH-015 TO IOC-NLH-016: RETURN ON RATE BASE, COST OF CAPITAL AND DEPRECIATION

Reference:

Vol. I, Ch. 5, secs. 5.4–5.5, Tables 5-9 to 5-11, pp. 5.13–5.15 (PDF pp. 156–158); Vol. II, Exhibit 7 (2023 Depreciation Study); Vol. I, Schedule F 2.5E (Labrador Interconnected, Functional Classification of Depreciation Expense) (PDF p. 294).

Preamble:

Return and depreciation are components of the revenue requirement allocated to Labrador Industrial customers.

IOC-NLH-015 Provide the rate of return on rate base and the weighted average cost of capital applied in the 2027 Test Year, any change from the 2019 Test Year, and the effect of that change on the Labrador Industrial transmission demand rate.

IOC-NLH-016 Provide the depreciation rates applied to Labrador transmission assets, any change since the last approved rates, and the effect of any change on the Labrador Industrial transmission demand rate.

REQUESTS FOR INFORMATION IOC-NLH-017 TO IOC-NLH-018: TRANSMISSION OPERATING AND MAINTENANCE COST BASIS

Reference:

Vol. I, Schedule F 2.1E, l. 1 (transmission demand O&M) (PDF p. 287); Vol. I, Schedule F 2.4E (Functional Classification of O&M Expense) (PDF pp. 292–293); Vol. I, Schedules B-I and B-II (Total Operating Expenses) (PDF pp. 219–220).

Preamble:

The revenue requirement allocated to Labrador Industrial customers includes transmission operating and maintenance (O&M) costs. IOC seeks to understand how much of the proposed increase is attributable to O&M as distinct from capital-related costs (rate base, return and depreciation).

IOC-NLH-017 Provide the split between operating/maintenance and capital-related costs driving the proposed Labrador Industrial transmission demand increase.

IOC-NLH-018 Provide the trend in Labrador transmission operating and maintenance costs from the 2019 Test Year to the 2027 Test Year.

REQUEST FOR INFORMATION IOC-NLH-019: EFFECTIVE DATE, INTERIM RATES AND REVENUE-DEFICIENCY RECOVERY

Reference:

Vol. I, Ch. 6, sec. 6.10.5, p. 6.31 (PDF p. 205); Vol. I, Application, paras. (xviii) and (xix)(e), pp. 11–12 (PDF pp. 28–29); Vol. III, Exhibit 19 (2027 Revenue Deficiency Summary) (PDF p. 814).

Preamble:

Proposed rates are to take effect 1 July 2027; the proceeding schedule contemplates a hearing commencing 26 January 2027.

IOC-NLH-019 If final rates are not in effect by 1 July 2027, describe the interim rate mechanism or deferral/rider treatment (including the GRA Recovery Rider proposed in section 6.10.5) that would apply to Labrador Industrial customers, and state whether any approved increase would be front-loaded or trued-up retroactively to 1 July 2027.

REQUESTS FOR INFORMATION IOC-NLH-020 TO IOC-NLH-021: FUNCTIONALIZATION OF TRANSMISSION LINES TL234 AND TL263 SINCE THE 2019 TEST YEAR

Reference:

Vol. I, Ch. 6, sec. 6.2, functionalization/classification changes (PDF pp. 176–178); Vol. I, Schedule F 2.6E, Labrador Interconnected transmission rate base (PDF pp. 295–296).

Preamble:

The 2027 Test Year reflects functionalization and classification changes implemented since the 2019 Test Year, including the treatment of Transmission Lines TL234 and TL263. IOC seeks to confirm whether these lines are included in the Labrador Interconnected transmission rate base and whom they serve.

IOC-NLH-020 Identify Transmission Lines TL234 and TL263, the system and customers they serve, and the net book value of each included in the 2027 Test Year Labrador Interconnected transmission rate base, if any.

IOC-NLH-021 Quantify the effect of any functionalization or classification change implemented since the 2019 Test Year on the transmission revenue requirement allocated to Labrador Industrial customers.

REQUESTS FOR INFORMATION IOC-NLH-022 TO IOC-NLH-023: DERIVATION OF THE PROPOSED SPECIFICALLY ASSIGNED CHARGE

Reference:

Vol. I, Ch. 6, sec. 6.9.2, pp. 6.29–6.30 (PDF pp. 203–204); Vol. I, Application, para. (xviii)(b), p. 12 (PDF p. 29); Vol. I, Ch. 6, sec. 6.2.1, item 4) (PDF p. 178).

Preamble:

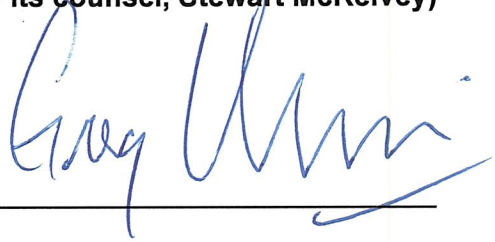
Hydro proposes a new annual specifically assigned charge of $33,697 for IOC to recover operating and maintenance costs associated with specifically assigned transmission assets, calculated under the methodology proposed in the 2025 Cost of Service Methodology Application.

IOC-NLH-022 Provide the calculation of the proposed $33,697 annual charge, including the list of specifically assigned assets, the six-year average of actual direct operating and maintenance expenses for each, and the derivation of the indirect operating and maintenance ratio applied.

IOC-NLH-023 Confirm that all costs recovered through the specifically assigned charge are excluded from the costs underlying the proposed $2.00 per kW per month Transmission Demand rate, such that no cost is recovered twice.

DATED at St. John's, Newfoundland and Labrador, this 29th day of July, 2026.

Iron Ore Company of Canada
(By its counsel, Stewart McKelvey)



Per: GREGORY A.C. MOORES, K.C.

TO: **Public Utilities Board**
Jacqui Glynn
Ryan Oake
Mike McNiven – Board Secretary
Colleen Jones
Board Record
Michael Collins

AND TO: **Newfoundland and Labrador Hydro**
Shirley Walsh
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