

Office of the Consumer Advocate

PO Box 23135
Terrace on the Square
St. John's, NL Canada
A1B 4J9

Tel: 709-724-3800
Fax: 709-754-3800

February 15, 2024

Via Email

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

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

Dear Ms. Galarneau:

Re: Newfoundland Power Inc. – 2025-2026 General Rate Application
- Requests for Information

Further to the above-captioned, enclosed are the Consumer Advocate's Requests for Information numbered CA-NLH-001 to CA-NLH-005.

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

Yours truly,



Dennis Browne, KC
Consumer Advocate

Encl.

/bb

cc **Newfoundland Power Inc.**
Lindsay Hollett (lholllett@newfoundlandpower.com)
Dominic J. Foley (dfoley@newfoundlandpower.com)
Liam O'Brien (lobrien@curtisidawe.com)
NP Regulatory (regulatory@newfoundlandpower.com)
Newfoundland & Labrador Hydro
Shirley Walsh (ShirleyWalsh@nlh.nl.ca)
Dan Simmons (daniel.simmons@mcinnescooper.com)
Michael Ladha (michaelladha@nlh.nl.ca)
NLH Regulatory (nlhregulatory@nlh.nl.ca)
Board of Commissioners of Public Utilities
Maureen Greene, KC (mgreene@pub.nl.ca)
Jacqui Glynn (jglynn@pub.nl.ca)
Board General (board@pub.nl.ca)

IBEW Local 1620
Adrienne Ding (ading@odeaearle.ca)
Justin King (jking@odeaearle.ca)
Kyle Rees (krees@odeaearle.ca)
Don Murphy (don@ibew1620.com)

IN THE MATTER OF the *Public Utilities Act*,
R.S.N.L. 1990, Chapter P-47, as amended, (the
“Act”); and

IN THE MATTER OF a General Rate Application
by Newfoundland Power Inc. (“Newfoundland Power”):
to establish customer electricity rates for 2025 and
2026 (the “Application”).

**CONSUMER ADVOCATE
REQUESTS FOR INFORMATION
CA-NLH-001 – CA-NLH-005**

Issued: February 15, 2024

- 1 CA-NLH-001 Accepted regulatory practice:
2 a) Is it an accepted regulatory principle that each order issued by a
3 regulator sets regulatory precedence for subsequent orders? Is
4 this accepted regulatory practice in this jurisdiction?
5 b) In this jurisdiction, are there avenues available to the Board to
6 correct an error made in an order, or is the Board required to
7 carry forward an error in all subsequent orders?
8 c) Please provide examples of instances when the Board has
9 corrected an error in a previous Order.
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- 11 CA-NLH-002 Fair and Non-discriminatory Rates
12 a) Does requiring a customer to pay for connection facilities that
13 benefit only that customer violate long-standing regulatory
14 principles that rates be fair and non-discriminatory?
15 b) Does not requiring a customer to pay for connection facilities
16 that benefit only that customer violate long-standing regulatory
17 principles that rates be fair and non-discriminatory?
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- 19 CA-NLH-003 NL Hydro's specifically-assigned assets:
20 a) Does Hydro identify specifically-assigned assets for
21 Newfoundland Power? If so, how does Hydro define such
22 assets?
23 b) Does Hydro continue to own, operate and maintain assets that
24 have been specifically assigned to Newfoundland Power?
25 c) How are capital, operating and maintenance costs associated
26 with assets that are specifically-assigned to Newfoundland
27 Power accounted for in Hydro's cost of service study?
28 d) What Hydro policies govern the identification and cost
29 assignment of specifically-assigned assets?
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- 32 CA-NLH-004 In its Application Newfoundland Power states (Section 1, page 1-8
33 and 1-9) "*The wholesale rate will be re-designed as part of Hydro's*
34 *next general rate application. This is expected to include a second*
35 *block energy rate that will reflect the cost of energy exports, which*
36 *is now considered the marginal cost of energy. The marginal cost of*
37 *energy exports is forecast to be in the range of 3 to 5¢ per kWh on*
38 *an annual basis in 2025 and 2026."*
- In the Additional Information filed by Newfoundland Power with the Board on December 13, 2023, it is stated (Footnote 9) "*If Hydro's GRA continues to experience delays, Newfoundland Power believes that it may also be possible for Hydro to file a separate filing to change the wholesale rate ahead of its next GRA.*"
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44 a) Given the inefficiencies associated with the current wholesale
45 rate which has a tail-block energy charge of 18.165 cents/kWh
46 compared to a marginal cost of 3 to 5 cents/kWh, why did Hydro

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not submit a filing for a revised wholesale rate prior to submission of Newfoundland Power's 2025-26 GRA?

b) Does Hydro intend to make a separate filing for a revised wholesale rate prior to its next GRA?

CA-NLH-005

Please provide an update on Hydro's progress with the rate-mitigation plan and advise when it expects to file its next GRA.

DATED at St. John's, Newfoundland and Labrador, this 15th day of February, 2024.

Per:



Dennis Browne, KC

Consumer Advocate

Terrace on the Square, Level 2, PO. Box 23135

St. John's, Newfoundland & Labrador A1B 4J9

Telephone: (709) 724-3800

Telecopier: (709) 754-3800

Email: dbrowne@bfma-law.com