



April 28, 2015

Ms. G. Cheryl Blundon
Board of Commissioners of Public Utilities
120 Torbay Road, P.O. Box 12040
St. John's, NL A1A 5B2

Dear Ms. Blundon:

**Re: Newfoundland Power Inc. – 2016 Deferred Cost Recovery Application
Requests for Information**

In relation to the above noted matter please find enclosed one (1) original and twelve (12) copies of the Consumer Advocate's Requests for Information numbered CA-NP-01 to CA-NP-05.

We trust the enclosed are found to be in order.

If you have any questions please feel free to contact the undersigned.

Yours very truly,

O'DEA, EARLE

A handwritten signature in blue ink, appearing to read 'T. Johnson', is written over the printed name.

THOMAS JOHNSON, Q.C.
TJ/cel

cc: Newfoundland & Labrador Hydro
Attention: Geoffrey P. Young

Newfoundland Power
Attention: Mr. Gerard Hayes

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

IN **THE MATTER OF** an application by Newfoundland Power Inc. (“Newfoundland Power”) to approve the deferred recovery of certain 2016 costs.

**CONSUMER ADVOCATE
REQUESTS FOR INFORMATION
CA-NP-01 to CA-NP-05**

Issued: April 28, 2015

1 CA-NP-01 Please confirm that Newfoundland Power is seeking final approval
2 of its 2016 forecast average rate base without the Board
3 undertaking the normal prudence review of the capital
4 expenditures that have been undertaken by Newfoundland Power
5 since its last GRA. If so, please explain how accepting capital
6 expenditures in the absence of a prudence review is consistent with
7 “regulatory principle and practice before the Board.”
8

9 CA-NP-02 Please confirm that Newfoundland Power is seeking final approval
10 of its rate of return on rate base and a finding of fact that 7.38%
11 return in a range of 7.20% to 7.56% is just and reasonable for
12 2016. If so, please explain how accepting capital expenditures in
13 the absence of a prudence review is consistent with “regulatory
14 principle and practice before the Board.”
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16 CA-NP-03 Please provide precedents that Newfoundland Power is aware of
17 for a regulated utility deferring a general rate application while at
18 the same time having its revenue requirement being approved for
19 recovery in rates from customers (either through a rate increase or
20 the deferral of the calculated revenue shortfall based on a revenue
21 requirement that is untested).
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23 CA-NP-04 Please provide any reasons that Newfoundland Power does not
24 consider the alternative of requesting that its rates be made interim
25 for the 2016 rate year, with final rates being subject to a full review
26 of its 2016 revenue requirement as part of its 2017 General Rate
27 Application.
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29 CA-NP-05 With respect to the five precedent deferred cost recoveries
30 identified in Schedule 1, Table 2 (page 4) and discussed at
31 Schedule 1, page 5, lines 1-9, please confirm that the first four

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were dealing with deferrals arising from accounting matters for which a prudence review was of little relevance and in the last one (Order No. P.U. 17 (2012) the Board determined that the disposition of this cost recovery deferral amount would be subject to a future order. If this statement is not confirmed, please explain Newfoundland Power's position.

Dated at St. John's in the Province of Newfoundland and Labrador, this 28th day of April, 2015.



Thomas Johnson, Q.C.
Consumer Advocate
323 Duckworth Street
St. John's, NL A1C 5X4
Telephone: (709) 726-3524
Facsimile: (709) 726-9600
Email: tjohnson@odeaearle.ca