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BY EMAIL AND COURIER

April 30, 2018

Ms. Cheryl Blundon
Director Corporate Services & Board Secretary
Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2
email: cblundon@pub.nl.ca

**Re: Newfoundland and Labrador Hydro ("NLH") 2017 General Rate Application
NLH motion – Deferral of Cost of Service Methodology Issues**

Dear Ms. Blundon:

On April 4, 2018, NLH filed the above mentioned motion seeking an order from the Board to define the scope of the cost of service methodology issues to be dealt with in the 2017 GRA.

IOC does not take a position on the merit of the application or on the cost of service methodology issues that should be addresses in the NLH 2017 GRA. IOC on the other hand wishes to comment the form of the conclusion sought by the Applicant NLH.

Should the Board accept the goal stated in §19 of the Application:

"Hydro further submits that the goal of regulatory efficiency in regards to the present GRA is best achieved by the Board making a pre-hearing determination of this Application, and thereby clarifying the scope of the proceeding as it regards cost of service methodology issues."

and should the Board decide to grant the Application in all or in part, IOC submits that it is preferable for the Board to formulate its order as to avoid limiting the debate to a specific set of allowed issues.

IOC urges the Board to frame its order in a way that does not unduly restricts the debate in the 2017 GRA as this may hamper the exercise of its jurisdiction at a later stage.

As recently put by Mr. Flemming on behalf of the Industrial Customers Group:

"[...] the parties should not be restricted from asking questions on any cost of service issues raised in any of the evidence filed. The Industrial Customers Group expects that Hydro's witnesses can and should provide answers to all cost of service issues to the extent the evidentiary record reasonably allows. Permitting such questioning not only results in an open hearing, it would allow

the parties and the Board to generate a record that will be required for the efficient conduct of the future cost of service review.”

Regards,

A handwritten signature in blue ink, appearing to be 'B. Pepin', with a long horizontal stroke extending to the right.

Benoit Pepin
Director Energy, North America
Aluminium

Counsel to IOC