



NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

E-mail: traceypennell@nlh.nl.ca

2017-02-03

Ms. Tracey Pennell
Newfoundland and Labrador Hydro
Senior Counsel
P.O. Box 12400
Hydro Place, Columbus Drive
St. John's, NL A1B 4K7

Dear Ms. Pennell:

Re: Newfoundland and Labrador Hydro – Net Metering Application – Requests for Information

Enclosed are Requests for Information (RFIs) PUB-NLH-001 to PUB-NLH-016 regarding the above-noted application.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, jglynn@pub.nl.ca or by telephone 709-726-6781.

Sincerely,

Cheryl Blundon
Board Secretary

CB/cj

ccc **Newfoundland & Labrador Hydro**
Mr. Geoff Young, E-mail: gyoung@nlh.nl.ca
NLH Regulatory, E-mail: NLHRegulatory@nlh.nl.ca
Newfoundland Power Inc.
Mr. Gerard Hayes, E-mail: ghayes@newfoundlandpower.com
Mr. Jan Kelly, Q.C., E-mail: jkelly@curtislaw.com
NP Regulatory, E-mail: regulatory@newfoundlandpower.com
Industrial Customer Group
Mr. Paul Coxworthy, E-mail: pcoxworthy@stewartmckelvey.com
Mr. Dean Porter, E-mail: dporter@pooleathouse.ca
Consumer Advocate
Mr. Dennis Browne, Q.C., E-mail: dbrowne@bfma-law.com
Mr. Stephen Fitzgerald, E-mail: sfitzgerald@bfma-law.com
Ms. Sarah Fitzgerald, E-mail: sarahfitzgerald@bfma-law.com
Ms. Bernice Bailey, E-mail: bbailey@bfma-law.com

Vale Newfoundland and Labrador Limited
Mr. Thomas O'Reilly, Q.C., E-mail: toareilly@coxandpalmer.com
Mr. Denis Fleming, E-mail: dfleming@coxandpalmer.com
Mr. Jason Callan, E-mail: jason.callan@vale.com
Praxair Canada Inc.
Ms. Sheryl Nisenbaum, E-mail: sheryl_nisenbaum@praxair.com
Mr. David Meade, E-mail: dave_meade@praxair.com
Teck Resources Limited
Mr. Larry Bartlett, E-mail: larry.bartlett@teck.com

1 **IN THE MATTER OF**
2 the *Electrical Power Control Act, 1994*,
3 SNL 1994, Chapter E-5.1 (the “*EPCA*”)
4 and the *Public Utilities Act*, RSNL 1990,
5 Chapter P-47 (the “*Act*”), as amended; and
6
7 **IN THE MATTER OF** the Application by
8 Newfoundland and Labrador Hydro to approve
9 a net metering service option for customers.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NLH-001 to PUB-NLH-016

Issued: February 3, 2017

- 1 **PUB-NLH-001** On page ii of Hydro's Net Metering Report, Hydro identifies the use of a
 2 payout rate reflective of system marginal cost as a deviation from the
 3 provincial Net Metering Policy Framework. Please identify if there are
 4 other deviations from the Framework in Hydro's proposed Net Metering
 5 Program.
 6
- 7 **PUB-NLH-002** Please provide justification for the Board to approve a proposed deviation
 8 from the provincial Net Metering Policy Framework.
 9
- 10 **PUB-NLH-003** Please confirm if the use of a rate, other than the retail rate, for the
 11 purchase of excess generation credits was discussed with government
 12 during Hydro's consultations on the provincial Net Metering Framework.
 13
- 14 **PUB-NLH-004** On page iv of Navigant's Executive Summary, it states:
 15
 16 *We recommend that the customer's net consumption be billed*
 17 *using the tariffs which would normally apply to a customer of the*
 18 *same size, type and location and that the customer be*
 19 *compensated for excess power at the same rate, unless the*
 20 *Government chooses to introduce a different rate for power*
 21 *produced from renewable sources.*
 22
 23 Please confirm that using the retail rate, as provided in the provincial Net
 24 Metering Framework, for the purchase of excess generation credits would
 25 be more reflective of Navigant's recommendation.
 26
- 27 **PUB-NLH-005** Please advise for each the Canadian jurisdictions which provide for a
 28 cash payment for energy credits (BC, AB, MB, NS and Yukon) if the
 29 utilities and/or the regulators were provided direction from their
 30 respective provincial governments as to the rate that should be used.
 31
- 32 **PUB-NLH-006** What impact, if any, will the use of the retail rate for the purchase of
 33 excess generation credits have on customers who are not participating in
 34 the Net Metering Service Option compared to the rate Hydro has
 35 proposed?
 36
- 37 **PUB-NLH-007** The Net Metering Policy Framework states at page 2:
 38
 39 *Therefore, the primary driver for a net metering policy in*
 40 *Newfoundland and Labrador is not to encourage the development*
 41 *of renewable energy, but to provide customers with the option to*
 42 *offset their own energy usage through small-scale renewable*
 43 *generation they develop themselves.*
 44
 45 Would the annual expiration of the net excess generation better
 46 accomplish this primary driver than annual compensation for the net

- 1 excess generation? Did Hydro consider this option to “zero out” any
2 unused credits?
3
- 4 **PUB-NLH-008** Would the compensation rate which is proposed for the isolated diesel
5 systems, the excess energy rate, be higher than the effective rate charged
6 and, if so, how this is consistent with the expressed primary driver of the
7 Net Metering Policy Framework?
8
- 9 **PUB-NLH-009** Are there occasions when the compensation rate proposed for the Island
10 Interconnected system, the wholesale excess energy rate that applies to
11 Newfoundland Power, may be higher than the effective rate and, if so,
12 how is this consistent with the expressed primary driver of the Net
13 Metering Policy Framework?
14
- 15 **PUB-NLH-010** Where changes in the utility rate are approved by the Board over the
16 course of the year, which rate(s) would be used in determining the
17 amount of the compensation for net excess generation?
18
- 19 **PUB-NLH-011** Please explain why the rate to be applied to the purchase of excess
20 generation credits should be different than the rate applied for monthly
21 billing for the value of the energy supplied from customer-owned
22 generating sources.
23
- 24 **PUB-NLH-012** Using a customer on the Labrador Interconnected System and a customer
25 on an Isolated Diesel System, please provide an example of the purchase
26 of excess generation credits on the annual review date, including monthly
27 billings, for a customer that has excess credits at the end of the 12-month
28 period and for a customer that does not have excess credits. Please
29 ensure the monthly billings for each customer also include months where
30 there are excess credits generated and months where there are not.
31
- 32 **PUB-NLH-013** Given anticipated changes in the near future, including a marginal cost
33 review, a cost of service review and interconnection please provide an
34 opinion in relation to the benefits and disadvantages of implementing a
35 net metering program at this time which is in accordance with the *Net*
36 *Metering Policy Framework* and to allow full consideration of the
37 alternative approaches in relation to compensation for net excess
38 generation following the completion of the reviews.
39
- 40 **PUB-NLH-014** Please confirm that a net metering customer cannot use energy generated
41 to pay its basic customer charge and regardless of energy generated and
42 used, will receive a monthly bill to reflect, at least, the basic customer
43 charge.

- 1 **PUB-NLH-015** What is the magnitude of excess energy that could be expected from an
2 individual participant given the limits placed on the size of the
3 installation?
4
5 **PUB-NLH-016** Please provide details of Hydro's monitoring and assessment plan for its
6 Net Metering Service Option.

DATED at St. John's, Newfoundland this 3rd day of February 2017.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 
Cheryl Blundon
Board Secretary