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LAWYERS

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January 19, 2016

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

Attention: Ms. Cheryl Blundon
Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

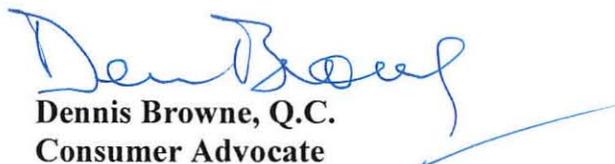
Re: In the Matter of an Application by Newfoundland Power Inc.
to approve of a Net Metering Program

Further to the above-captioned, enclosed please find the original and twelve (12) copies of the Consumer Advocate's Requests for Information numbered CA-NP-001 to CA-NP-013.

A copy of this letter, together with enclosures, has been forwarded directly to the parties listed below.

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

Yours truly,


Dennis Browne, Q.C.
Consumer Advocate

Encl.

/bb

CC **Newfoundland Power Inc.**
Gerard Hayes (ghayes@newfoundlandpower.com)
regulatory@newfoundlandpower.com

Newfoundland and Labrador Hydro
Geoff Young (gyoung@nlh.nl.ca)
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Board of Commissions of Public Utilities
Cheryl Blundon (cblundon@pub.nl.ca)
Jacqui Glynn (jglynn@pub.nl.ca)
PUB Official Email (ito@pub.nl.ca)

1 **IN THE MATTER OF**
2 the *Public Utilities Act* (the “*Act*”) and
3
4 **IN THE MATTER OF** an application
5 by Newfoundland Power Inc. (“Newfoundland
6 Power”) to approve a net metering
7 service option for customers.

**CONSUMER ADVOCATE
REQUESTS FOR INFORMATION**

CA-NP-001 to CA-NP-013

Issued: January 19, 2017

1 CA-NP-001

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At page 8 of Newfoundland Power's pre-filed evidence, reference is made to the fact that "Government also consulted with stakeholders to solicit their input" in the development of a Net Metering Policy Framework. What Newfoundland Power customers were consulted?

1 CA-NP-002

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At page 9 of Newfoundland Power's pre-filed evidence, the Provincial Government's Net Metering Policy Framework of July 2015 is referenced. At footnote 19 of page 9, Newfoundland Power states that to the degree "Government's policy conflicts with the legislation, NP considers the legislation to be paramount". The Net Metering Exemption Order states that a "net metering customer of a public utility means a producer that ... generates electricity from a renewable energy source and has a rating capacity ... that is no greater than 100 kW". If the legislation is paramount why would Newfoundland Power "have discretion" to limit the size of a proposed customer's generation as stated at page 9, lines 11 and 12, of Newfoundland Power's pre-filed evidence?

1 CA-NP-003

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At page 9 of Newfoundland Power's pre-filed evidence, lines 9 to 11, it is stated "the utilities will have discretion to review customer connection requests and to limit both the numbers of net metering customers and the size of the proposed customer generation". Has Newfoundland Power developed any specific guidelines or principles that will govern the exercise of its discretion in this regard? Please provide same.

1 CA-NP-004

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Newfoundland Power's Proposed Schedule of Rates, Rules and Regulations is appended as Schedule "A" to Newfoundland Power's Application. At Regulation 3(a) there is a reference to a Proposed Electrical Service Contract. Has Newfoundland Power developed this Electrical Service Contract and, if so, is it available for disclosure?

1 CA-NP-005

2 At page 20 of Navigant Consulting Limited (“Navigant”) report dated
3 October 31, 2014, reference is made to the fact that in four
4 jurisdictions in Canada (BC, MB, NS and ON) a simplified and
5 expedited process for systems that fall below a given capacity is
6 offered. Three of these use a 10 kW limit and the other (BC) uses 27
7 kW. Has Newfoundland Power considered implementing a similar
8 simplified and expedited process for smaller systems, having regard
9 to the fact that Newfoundland Power has stated that it reserves the
discretion to limit the size of proposed customer generation?

1 CA-NP-006

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At page 7 of the Navigant Report it is stated, “Navigant does not expect that an overall subscription limit for the Net Metering program as a whole is required for NL given the policy objective and provincial context”. However, the Net Metering Exemption Order does limit the subscription to 5 MW. Does Newfoundland Power know why the NL Government imposed a subscription limit, despite the Navigant Report? Did Newfoundland Power make any recommendation to Government to impose the 5MW subscription limit?

1 CA-NP-007

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At page 25 of the Navigant Report, Navigant refers to a regulatory decision by the Idaho Public Utilities Commission (“IBUC”) whereby IBUC disallowed the local utility’s proposal of a 5.18 MW subscription limit as this “[would] disrupt and have a chilling effect on NM” and therefore decided to eliminate the subscription limit altogether. Will the 5 MW subscription limit have a similar “chilling” effect on Net Metering in Newfoundland and Labrador?

1 CA-NP-008

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At page 30 of the Navigant Report at section 3.1 (Best Practices), Navigant refers to the Interstate Renewable Energy Council (“IREC”) Model Rule. One of the recommendations of IREC is that utilities should not be permitted to impose an application fee for Net Metering. Does Newfoundland Power intend to follow this recommended best practice in the proposed Net Metering Program?

1 CA-NP-009

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At page 30 of the Navigant Report at section 3.1 (Best Practices), Navigant refers to the IREC Model Rule which states that utilities should not be permitted to impose any charges or fees for Net Metering that would not apply if the customer were not engaged in Net Metering. Does Newfoundland Power intend to follow this recommenced best practice in the implementation of the proposed Net Metering Program?

2 At page 6 of Newfoundland Power's pre-filed evidence, lines 13 to
3 18, the following statement is made:

4 *Industry practice indicates that net metering is typically*
5 *limited to renewable sources of generation owned by*
6 *residential and small business customers. These sources are*
7 *typically small-scale. Capacity limits in the nine Canadian*
8 *provinces currently offering net metering services range from*
9 *50 kW to 1 mW in the Navigant Report at page 28, MW in an*
10 *installed capacity, and ranged from 0.01% to 0.16% as a*
11 *percentage of the jurisdiction's installed capacity.*

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13 At page 15 of Newfoundland Power's pre-filed evidence, the
14 following statement is made:

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16 *Utility experience with net metering regimes indicates that*
17 *customer take-up of Newfoundland Power's Net Metering*
18 *Option should ramp up over a number of years and not*
19 *approach the maximum aggregate of 5 MW for some time.*

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21 At page 23 of Newfoundland Power's pre-filed evidence, lines 13-14,
22 the following statement is made:

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24 *Public indications are that customer rates following the*
25 *interconnection of Muskrat Falls could be as high as \$0.21*
26 *kW/h.*

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28 This \$0.21 kW/h figure appears to be more than twice the current
29 domestic customer rate. Therefore, is it not foreseeable that customer
30 take-up of Newfoundland Power's Net Metering Option would likely
31 rapidly ramp up following the interconnection of Muskrat Falls and
32 thus the 5 MW limit would be reached much quicker than experienced
33 in other Net Metering regimes?

1 CA-NP-011

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At page 11, lines 7-11, of Newfoundland Power's pre-filed evidence, Newfoundland Power refers to metered and unmetered services. Unmetered services will not be able to avail of the Net Metering Service Option because of the absence of a meter. Rate 4.1: Street Area Lighting Service is given as an example of a service where net metering is not possible. Please provide a list of all other unmetered services that will not be able to avail of net metering.

1 CA-NP-012

2 At page 10 of Newfoundland Power's pre-filed evidence, lines 6 to 9,
3 the Net Metering Exemption Order restricting a customer's generating
4 facility to 100 kW is referenced. In practical terms:

5 (a) (i) If a Newfoundland Power customer's annual energy
6 consumption amounts to 10,000 kWh, what would be
7 that customer's maximum permitted generating facility
8 pursuant to the Net Metering Energy Order expressed in
9 kWhs at a hypothetical domestic rate of \$0.10/kWh?

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11 and

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13 (ii) Please calculate the annual offset/credit that such a
14 Newfoundland Power customer would receive on an
15 annual basis if their maximum generating facility was
16 installed, as expressed in dollars.

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18 (b) (i) If a Newfoundland Power customer's annual energy
19 consumption amounts to 20,000 kWh, what would be
20 their maximum permitted generating facility pursuant to
21 the Net Metering Energy Order expressed in kWhs at a
22 hypothetical domestic rate of \$0.10/kWh?

23
24 and

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26 (ii) Can Newfoundland Power calculate the annual savings
27 that a Newfoundland Power customer may experience
28 on an annual basis if their maximum generating facility
29 was installed.

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31 (c) (i) If a Newfoundland Power customer's annual energy
32 consumption amounts to 30,000 kWh, what would be
33 their maximum permitted generating facility pursuant to
34 the Net Metering Energy Order expressed in kWhs at a
35 hypothetical domestic rate of \$0.10/kWh?

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37 and

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39 (ii) Can Newfoundland Power calculate the annual savings
40 that a Newfoundland Power customer may experience
41 on an annual basis if their maximum generating facility
42 was installed.
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(d) (i) If a Newfoundland Power customer's annual energy consumption amounts to 40,000 kWh, what would be their maximum permitted generating facility pursuant to the Net Metering Energy Order expressed in kWhs at a hypothetical domestic rate of \$0.10/kWh?

and

(ii) Can Newfoundland Power calculate the annual savings that a Newfoundland Power customer may experience on an annual basis if their maximum generating facility was installed.

(e) (i) If a Newfoundland Power customer's annual energy consumption amounts to 50,000 kWh, what would be their maximum permitted generating facility pursuant to the Net Metering Energy Order expressed in kWhs at a hypothetical domestic rate of \$0.10/kWh?

and

(ii) Can Newfoundland Power calculate the annual savings that a Newfoundland Power customer may experience on an annual basis if their maximum generating facility was installed.

Section 5(2) of the Net Metering Exemption Order states as follows:

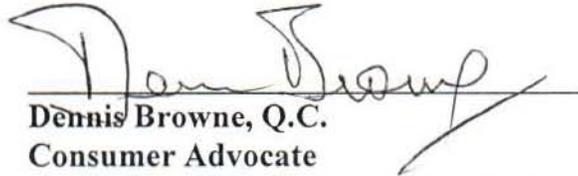
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3 *5. (2) Notwithstanding Sections 3 and 4 and Subsection (1),*
4 *only that portion of the combined rated capacity of all*
5 *net metering customers' equipment connected to a*
6 *public utilities distribution system that is 5 MW or less*
7 *may be exempted under these regulations.*
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9 (a) Is the limitation of 5 MW as expressed in the Net Metering
10 Exemption Order “per utility” (i.e. 5 MW for Newfoundland
11 Power’s customers and 5 MW for Newfoundland and Labrador
12 Hydro’s customers)?
13

14 (b) If the subscription limitation referred to in the Net Metering
15 Exemption Order applies to both utilities for a province-wide
16 subscription limitation of 5 MW, is there any agreement or
17 protocol between Newfoundland Power and Newfoundland and
18 Labrador Hydro to “share” the capacity cap between their
19 respective customers? For example, is there an agreement or
20 expectation that Newfoundland Hydro’s customers will take up
21 10% of the subscription and Newfoundland Power’s customers
22 will take up 90% of the 5 MW subscription limit?

DATED at St. John's, Newfoundland and Labrador, this 19th day of January, 2017.

Per:



Dennis Browne, Q.C.
Consumer Advocate

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