

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 and Labrador Hyrdo for the
approval, pursuant to Sections 70(1) and 76 of
the Act, of the Rate of Stabilization Plan components
of the rates to be Charges to Industrial Customers.

**Industrial Customers
Requests for Information**

IC-NP-1 TO IC-NP-7

Issued: March 19, 2010

Requests for Information to Newfoundland Power
NEWFOUNDLAND AND LABRADOR HYDRO 2009 IC RSP REVIEW
March 19, 2010

IC - NP 1

Timing of Load Variation Transfers

- (a) Please confirm if it is Mr. Brockman's recommendation that load variation component transfers that have accumulated from January 1, 2008 should be allocated based on the Cost of Service Approach.
- (b) Please confirm it is Mr. Brockman's recommendation that the January 1, 2008 date was selected on the basis that IC firm rates were made interim effective January 1, 2008.

IC - NP 2

Price Signals

- (a) In Mr. Brockman's view, would any RSP credit as a result of decreased system loads constitute an adverse price signal?

IC - NP 3

Rates and Costs

- (a) With reference to Table 6 (page 15, pre-filed evidence of Larry Brockman), please provide the energy numbers for calculating the average rate.
- (b) Please provide the back-up values for all calculations, and their source.
- (c) Mr. Brockman relies upon the average energy rate values in CA-NLH-21 which are cited as being linked to PUB-NLH-22. Please provide Mr. Brockman's reconciliation of the total IC revenue requirement of \$19.25 million in CA-NLH-21 to the IC revenue requirement of \$22.058 million shown at line 17 of PUB-NLH-22 page 2.
- (d) Please confirm that "Average Rate" is not the rate paid by the respective customers over this period.
- (e) Please indicate if the "Average Rate" includes demand charges and specifically assigned charges or only energy charges.
- (f) Please confirm that "Average Cost" is not calculated based on the 2007 approved cost of service study.
- (g) Please indicate if the "Average Cost" value is specifically related to energy costs, or comprises all costs (demand-related, customer-related).

IC - NP 4

Rate Volatility

- (a) With reference to Table 8 (page 17, pre-filed evidence of Larry Brockman), please explain the reason for using 4.68 cents/kWh instead of the firm energy rate of 3.676 cents/kWh in calculating Vale Inco Estimated Revenue.

IC - NP 5

2010 IC Rates

- (a) With reference Table 11 (page 28, pre-filed evidence of Larry Brockman) please provide the calculation for the allocation factor in 2008 and 2009F.

IC - NP 6

IC Rate Design Review Report

- (a) On page 3 of Mr. Brockman's evidence (lines 5-7), the assertion is made that the approach proposed by Mr. Brockman is "...consistent with the proposed approach in the IC Rate Design Review Report, agreed to by all parties...". Please confirm that the IC Rate Design Review Report referenced is the report filed with the Board February 5, 2008.
- (b) Please confirm that the February 5, 2008 report has never been "agreed to" or approved by the Board in any manner, and is not today implemented.
- (c) Please confirm that the February 5, 2008 report retains at least 3 individual technical items where no agreement has been reached, and future resolution was expected to be required (e.g., see page 1-2 of the noted report).

IC - NP 7

Brockman Table 4

- (a) On page 10 of Mr. Brockman's evidence, please provide the data and the source of the data to calculate the values in Table 4.
- (b) Is it Mr. Brockman's view that "production shutdown" load variation merits different considerations than other load variations? Please explain.