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

And

IN THE MATTER OF capital expenditures and rate base of Newfoundland Power Inc.;

And

IN THE MATTER OF an Application by Newfoundland Power Inc. for an order pursuant to Sections 41 and 78 of the Act:

(a) approving its 2010 Capital Budget of $64,679,000; and

(b) fixing and determining its 2008 rate base at $820,876,000

CONSUMER ADVOCATE'S INFORMATION REQUESTS

To: Board of Commissioners of Public Utilities
Suite E210, Prince Charles Building
120 Torbay Road
P.O. Box 12040
St. John's, NL A1A 5B2
Attention: Ms. G. Cheryl Blundon,
Director of Corporate Services and Board Secretary

CA-NP-01 Reference: Generation Hydro - Lookout Brook Hydro Plant Refurbishment and Tab 1.2 Lookout Brook Hydro Plant Refurbishment - Section 8 - Battery Bank.

(a) What is the expected service life of the C & D Technologies lead -

antimony battery bank that was installed in 1996?

(b) Is there a hazard associated with the type of battery bank producing hydrogen gas during charging in its present location?

(c) In section 8 it states, "To eliminate the requirement to construct a separate battery room the battery bank will be replace with gel cell technology." Please elaborate on the source of this 'requirement'.

(d) How often is the battery bank charging and how long does the charging take?

(e) Is it necessary for personnel to be present during battery bank charging?

CA-NP-02 Generation Hydro - Please indicate which projects are expected to result in increased energy production and state whether and how the expected increase in energy production have been incorporated into the Company's Test Year energy production forecast in its GRA.

CA-NP-03 Substations - Replacements Due to In-Service Failures. At page 19 of 96 it states, "The increase in expenditures is largely attributable to the effects of inflation on utility construction materials, and an increase in the number of failures experienced." Please elaborate on this statement and include the inflationary and frequency of failures data relied upon in making this statement.

CA-NP-04 Substations - Replacements Due to In-Service Failures. In light of the significantly increased level of spending for 2009 to 2014 (see Capital Plan - Substations, p. A-3) compared to the years 2005 to 2008 (see Table 2 at page 17 of 96) why is the Company forecasting that expenditures for Replacements Due to In-Service Failures for 2010 to 2014 (see Table 1 at page 18 of 96) will remain significantly higher than 2005 to 2006 levels (see Table 2 at page 96)?

CA-NP-05 Substations - Additions Due to Load Growth - p. 20 of 96
How many times did the existing transformer loading at Deer Lake substation exceed 100% capacity in each of 2006, 2007 and 2008 and by what amount?

CA-NP-06 Substations - Additions Due to Load Growth - p. 20 of 96
How many times has the existing transformer loading at Mobile substation exceeded 100% capacity and by what amount?

CA-NP-07 Substations - Additions to Load Growth - Mobile - p. 20 of 96)
How old is distribution power transformer MOB - T2 and what is its expected service life?

CA-NP-08 At p. 1 of Tab 2.2 - it provides the present number of customers supplied by feeders MOB - 01 and MOB - 02. How has the number of customers served by these feeders changed from 2004 to present?

CA-NP-09 At p. 2 of Tab 2.2 - Graph 1 is provided which shows MOB - T2 Load Readings. With the exception of the Actual Peak Load measured December

27, 2008, does NP have any reason to doubt the accuracy of the Reported Load through NP's SCADA system as shown on Graph 1?

CA-NP-10 (a) Pertaining to the same Graph referenced in the previous question, does NP have an explanation as to why the Actual Peak Load (measured December 27, 2008) was high relative to the other readings shown in Graph 1.

(b) What was the next highest transformer load reading experienced subsequent to the Actual Peak Load shown on Graph 1?

CA-NP-11 Substations - Additions to Load Growth - Mobile Substation - p. 20 of 96 - Absent the opportunity to relocate the 17 MVA Deer Lake substation transformer to Mobile substation, would NP be proposing to replace MOB - T2 at this time based upon the single overload on peak shown at Tab 2.2, Graph 1? Please fully explain.

CA-NP-12 Substations - Additions to Load Growth - Mobile Substation - p. 20 of 96 - Please provide a breakdown of the cost of $1,275,000 associated with the relocation of the 17 MVA Deer Lake substation transformer to Mobile substation.

CA-NP-13 With respect to Feeder Additions for Growth - p. 57 of 96, it states, "Customer growth on the Northeast Avalon Peninsula has caused some substation transformers and sections of trunk feeders to become overloaded." To the extent that this Project involves work to remedy the

overload of substation transformers, please provide details as to how often and to what degree the substation transformers referred to in this statement have been overloaded.

CA-NP-14 Substations - Additions to Load Growth - p. 20 of 96 - Could the relocation of the 17 MVA Deer Lake substation transformer to Mobile be deferred beyond 2010?

CA-NP-15 Substations - Additions to Load Growth - p. 20 of 96 - Deer Lake and Mobile substation projects - is there an industry or engineering standard as to when a substation transformer should be replaced by reason of age and/or loading?

CA-NP-16 Please provide a list of substation transformers replaced by the company over the past 15 years and provide the age and loading data applicable to the decision to replace each transformer.

CA-NP-17 Distribution - Extensions - p. 30 of 86, it states, "This Distribution project involves the construction of both primary and secondary distribution lines to connect new customers to the electrical distribution system. The project also includes upgrades to the capacity of existing lines to accommodate customers who increase their electrical load." Please provide a breakdown of the $8,856,000 sought for this project as regards (i) the construction of distribution lines to connect new customers, and; (ii) upgrades of capacity of existing lines to accommodate customers who increase their electrical load.

CA-NP-18 Distribution - Transformers - p. 43 of 96, it states, "This Distribution project

includes the cost of purchasing transformers for customer growth and the replacement or refurbishment of units that have deteriorated or failed." Please provide a Table showing for the period 2005 to 2010 B, the breakdown of (i) expenditures in respect of transformers purchased for customer growth; (ii) expenditures in respect of transformers purchased for replacement, and (iii) expenditures in respect of refurbishment of units.

CA-NP-19 Distribution - Transformers (p. 43 of 96)

Please provide a Table showing for the period 2005 to 2010 B, the breakdown of (i) number of transformers purchased for customer growth; (ii) number of transformers purchased for replacement; (iii) number of units refurbished. On the same table please also show the number of new customers in each year aforesaid.

CA-NP-20 Distribution - Transformers (p. 43 of 96)

Broken down by type, size and voltage of transformer units, please provide both the number and cost of transformers purchased from 2005 to 2010 B expressed in actual and 2009 dollars.

CA-NP-21 Transportation - Purchase Vehicles and Aerial Devices - p. 72, 73 of 96 - How many of NP's heavy fleet and passenger vehicles which have reached the "threshold age or level of usage" referred to at p. 73 will not be replaced in 2010?

CA-NP-22 Transportation - Purchase Vehicles and Aerial Devices - p. 72 of 96 - In reply to CA-29-NP in the 2009 NP C.B.A., NP stated that there were 4 heavy fleet

vehicles and 16 passenger vehicles which will meet the "threshold age or level of usage" but will not be replaced in 2009. Out of these 20 vehicles, how many will be replaced in 2010?

CA-NP-23 How much does NP expect to recoup from the sale of the units to be replaced in 2010 and how will the said vehicles be disposed of?

CA-NP-24 Does NP have a record as to whom has purchased its Heavy Fleet vehicles over the period 2005 to present once they have been taken out of service by NP?

CA-NP-25 Can NP confirm that some of its Heavy Fleet vehicles have been purchased by firms which provide contractor services to NP?

CA-NP-26 Does NP place any stipulations on firms who perform contract work for NP as to the threshold age or usage of Heavy Fleet vehicles used by such firms?

CA-NP-27 What are the years of, the mileage of, and the make of vehicles proposed by the Company to be replaced in 2010?

CA-NP-28 Information Systems - Application Enhancements, p. 80 of 96 - In 6.1 2010 Application Enhancements filed in support of this pooled project, there are at Appendix A (pages A-1 to A-4) four Net Present Value Analyses provided.

(a) Column I utilizes a discount rate equal to NP's weighted average incremental cost of capital. What is the assumed rate of return on

NP's equity capital?

(b) On what basis was the rate of return on NP's equity capital used in the Net Present Value Analysis chosen?

(c) What are the resulting Present Value on pages A-1 to A-4 if instead of using the assumed rate of return on NP's equity capital chosen for each, the rate return is assumed to be (i) 3% less, (ii) 4% less.

CA-NP-29 Personal Computer Infrastructure - p. 84 of 96 - Please confirm that the $430,000 sought for this project includes the cost associated with purchasing the ruggedized laptops.

CA-NP-30 Information Systems - Vehicle Mobile Computing Infrastructure - p. 91 of 96 - What is the breakdown of the $272,000 cost to install 35 "ruggedized" laptop computers on a per unit basis? Please, in responding, refer to the estimated material cost, labour cost and other costs associated with installing each unit.

CA-NP-31 At footnote 1 of page 84 of 96 (Personal Computer Infrastructure) it states that 25 ruggedized laptop computers are being added in 2009 with an additional 35 ruggedized laptops being added in 2010. At page 92 of 96 it states that "In 2009 forecast expenditures related to Vehicle Mobile Computing Infrastructure are 350,000." Is it correct that it is costing $350,000 in 2009 to install 25 ruggedized laptops but $272,000 in 2010 to install 35 such laptops? Please explain.

CA-NP-32 How many ruggedized laptops does the Company plan to install overall in its vehicles?

CA-NP-33 How long does the company expect that a ruggedized laptop will be in use before it has to be replaced?

CA-NP-34 What will be the cost of installing these ruggedized laptops and accompanying hardware into a new vehicle once the existing vehicle has to be replaced?

CA-NP-35 What are the model years of vehicles in which the Company has already installed ruggedized computers and what are the years of the vehicles in which the Company plans to install ruggedized laptops in 2010.

CA-NP-36 General Expenses Capitalized (2,800,000).

(a) Please show GEC and Total Budgets for the years 2000 to 2010.

(b) How are the increasing capital budgets influencing the Company's assessment of the amount of general expenses that are capitalized?

(c) Why does the Company forecast General Expenses Capitalized to be a flat 2,800,000 over the period 2010 to 2014 (see 2010 Capital Plan - p. A-1).

CA-NP-37 Reference 2010 Capital Plan - Table 2 2010 Capital Projects by Classification.

Please list the 6 Justifiable Projects which total $3,032,000.00 of the 64,679,000 total budget and segment each by materiality.

CA-NP-38 Capital Plan - Section 3.3 5 year plan: - it states, "While the Company accepts the Board's view of the desirable effects of year to year capital expenditure stability, the nature of the utility's obligation to serve will not in some circumstances, necessarily facilitate such stability."

(a) What are the desirable effects of year to year capital expenditure stability referred to in the above statement?

(b) What projects have the Company deferred beyond 2010 in the interests of capital expenditure stability? Please explain why it was reasonable to defer these projects beyond 2010.

CA-NP-39 When was this Capital Budget Application approved by the Executive of NP?

CA-NP-40 What, if any, changes to the Capital Budget were made by the Executive upon its presentment for its approval?

CA-NP-41 In 2009's Capital Plan (from page 6 to 7) NP included a section 3.1 called Utility Infrastructure Cost. That section was not repeated in this filing.

(a) Please provide a copy of the same;

(b) Please provide an update to Graph 1 at p. 6 thereof;

(c) Please provide an update to Chart 3 at p. 7 thereof.

CA-NP-42 In the 2009 Capital Plan, NP stated in respect of the period 2009 - 2013 at p. 9:

> **"Plant replacement accounts for 58% of all planned expenditure over the next five years, followed by customer and sales growth at 26%. The remaining 16% of total capital expenditures from 2009 through 2013 period relate to a variety of causes including information systems, system additions, third party requirements and financial costs."**

What is the Company's current forecast as regards this period of time as regards these respective percentage breakdowns?

CA-NP-43 Reference Section 5.1 - Kenmount Road Building Renovations - Please provide a copy of the April 2006 Newton Engineering report/analysis pertaining to the HVAC systems at the Kenmount Road building referred at p. 2.

CA-NP-44 At p. 2 of the report at Tab 5.1 it states that there were 7 separate service calls throughout the winter of 2009 to address heating concerns on the third floor at a cost of $4,300.00.

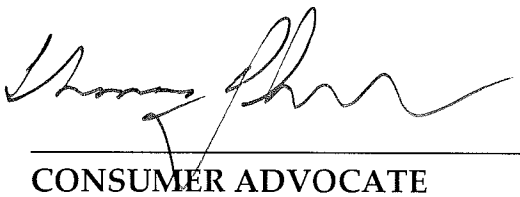
(a) Please provide details as to the 7 service calls in terms of the problem reported and how the problem was addressed.

(b) Please provide the maintenance costs with the second and third floor HVAC system over the past 5 years.

CA-NP-45 Reference Tab 6.2 - 2010 System Upgrades - p. 2 to 3 - Please provide a breakdown of each of the 6 proposed 2010 upgrades listed in terms of the costs of Material, Labour-Internal, Engineering and Other.

CA-NP-46 Reference Tab 6.2 - 2010 System Upgrades - Has the Company reviewed whether these annual system upgrades might be contracted out on a more cost-effective basis than using internal labour?

DATED at St. John's, in the Province of Newfoundland and Labrador, this 21st day of July, 2009.



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