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April 15, 2015

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Via Electronic Mail and Courier

Newfoundland and Labrador Board
of Commissioners of Public Utilities
120 Torbay Road
P.O. Box 21040
St. John's, NL A1A 5B2

**Attention: Ms. G. Cheryl Blundon, Director of Corporate Services
and Board Secretary**

Dear Ms. Blundon:

**Re: Newfoundland and Labrador Hydro 2013 Amended General Rate Application
Requests for Information IC-NLH-178 to IC-NLH-198**

Please find enclosed one original and twelve copies of the Requests for Information of the Island Industrial Customers Group in relation to the above noted Application.

We trust you find the foregoing satisfactory.

Yours truly,

Stewart McKelvey

Paul L. Coxworthy

PLC/kmcd

Enclosures

- c. Geoffrey P. Young, Senior Legal Counsel, Newfoundland and Labrador Hydro
- Thomas J. Johnson, Consumer Advocate
- Gerard Hayes, Newfoundland Power
- Dean A. Porter, Poole Althouse
- Thomas O'Reilly, Q.C., Vale Newfoundland and Labrador Limited
- Edward M. Hearn Q.C., Miller & Hearn
- Nancy Kleer, Olthuis, Kleer, Townshend LLP
- Yvonne Jones, MP, Labrador

IN THE MATTER OF the *Public Utilities Act*,
RSNL 1990, Chapter P-47 (the "Act")

AND IN THE MATTER OF a General Rate Application (the Amended Application) by Newfoundland and Labrador Hydro for approvals of, under sections 70 and 75 of the Act, changes in the rates to be charged for the supply of power and energy to Newfoundland Power, rural customers and industrial customers; and under section 71 of the Act, changes in the rules and regulations applicable to the supply of electricity to rural customers

**ISLAND INDUSTRIAL CUSTOMERS GROUP
REQUESTS FOR INFORMATION
IC-NLH-178 to IC-NLH-198
Issued: April 15, 2015**

1 changes for each customer group based on the 2015 Test
2 Year, showing supporting details and calculations.

3 **IC-NLH-182** Further to V-NLH-111, Attachment 1: Please confirm that in
4 COS Schedule 2.4A the Specifically Assigned Operating and
5 Maintenance costs are calculated based on the share of total
6 cost of plant in service per COS Schedule 2.2A, Column 2
7 not Column 5, and therefore Line 9 under Step 2 of V-NLH-
8 111 Attachment 1 should use plant in service per COS
9 Schedule 2.2A, Column 2.

10 **IC-NLH-183** Further to V-NLH-111, Attachment 1: Please confirm that in
11 Column H of V-NLH-111, Attachment 1 the total
12 transmission plant in service [Line 9] should stay at 100% as
13 per 2015 COS and should not be adjusted downwards as
14 there is no change in total cost [i.e. the exercise is only to
15 reduce the O&M amount allocated to specifically assigned].

16 **IC-NLH-184** Further to V-NLH-111, Attachment 1: Please confirm that the
17 calculation will need to be done separately for transmission
18 lines and terminal stations as some customers share
19 terminal station related costs, but not transmission line
20 related costs.

21 **IC-NLH-185** Further to V-NLH-111, Attachment 1: Please confirm that the
22 reduced amount of Specifically Assigned Operating and
23 Maintenance costs will be reallocated among customers as
24 common cost, and provide a revised version of V-NLH-111,
25 Attachment 1 with revisions to calculations noted in IC-NLH-
26 181, 182, 183 and 184 above, including total rate impact
27 after reallocation of reduced amount of Specifically Assigned
28 Operating and Maintenance costs as common.

29 **IC-NLH-186** Further to CA-NLH-295: Please confirm that the Frequency
30 Converter provides benefit to all customers and Island
31 Interconnected System when capacity assistance is provided
32 by CBPP or during system outages as experienced in
33 January 2014.

34 **IC-NLH-187** Further to CA-NLH-295: Please provide dollar and
35 percentage impacts to each customer class based on the
36 2015 COS assuming the CBPP Frequency Converter is
37 assigned (a) 50% common and 50% specifically assigned,
38 and (b) 100% as common.

39

1 **IC-NLH-188** Further to IC-NLH-99 (Rev 1) Attachment 1: Please confirm
2 that the capital spending provided on page 6 for 2008 is all
3 and only capital work related to “upgrade work on the rotor
4 and stator” noted in Hydro’s 2013 Capital Budget
5 Application, pages D-164 to D-165. If not, please indicate
6 which items are for this capital project and which items are
7 for other capital projects and indicate the project to which
8 they relate.

9 **IC-NLH-189** Further to IC-NLH-188 above, Hydro’s 2013 Capital Budget
10 Application, pages D-164 to D-165 notes that “[w]hen
11 upgrade work on the rotor and stator was performed in 2008,
12 maintenance staff noticed that the upstairs rail would vibrate
13 when the unit was on line. This was a condition that was not
14 present prior to the refurbishment work.” Please provide
15 details of the 2008 capital project in question, including the
16 nature of the work, who performed the work (Hydro or an
17 outside contractor), who prepared the design, scope and
18 specifications for the work (Hydro or an outside contractor).
19 If an outside contractor or supplier was used for any
20 component of the design, materials or installation, please
21 provide a detailed explanation of all efforts Hydro pursued
22 (including claims against the contractor, lawsuits, retention of
23 holdbacks or bonds, or other performance guarantee
24 mechanisms) to address the substandard job performance
25 resulting in a new vibration issue. Please indicate the value
26 of any recoveries from the contractor related to this
27 performance issue.

28 **IC-NLH-190** Further to IC-NLH-189 above, please confirm that,
29 effectively, Hydro is proposing that any substandard work
30 performed on the Frequency Converter, which resulted in
31 any required added capital spending by Hydro to address
32 new issues from the substandard work, will result in both the
33 original capital project cost and the secondary project capital
34 spending (to rectify issues arising from the substandard
35 work) being charged directly to CBPP.

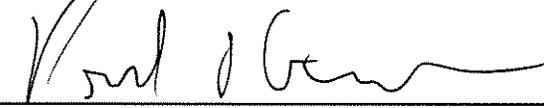
36 **IC-NLH-191** Further to IC-NLH-188 above, please provide the capital cost
37 that was incurred (if any) related to the referenced rotor pole
38 failure, which resulted from vibration caused by “upgrade
39 work on the rotor and stator”.

40 **IC-NLH-192** Further to IC-NLH-99 (Rev 1) Attachment 1: Please provide
41 list of spending by CBPP to Frequency Converter, including
42 for capital and maintenance work.

- 1 **IC-NLH-193** Further to IC-NLH-99 (Rev 1) Attachment 1: Please provide
2 list of disposals and associated asset values related to the
3 Corner Brook Frequency Converter since 2012 to date,
4 including any disposals (transformer and other) related to the
5 fall 2014 outage.
- 6 **IC-NLH-194** Further to IC-NLH-162: Please provide the frequency
7 converter maximum loading (MW) imposed by Hydro since
8 2007 (showing dates).
- 9 **IC-NLH-195** Further to IC-NLH-162: Please provide a list of any CBPP
10 requests to run the Frequency Converter at higher
11 capacities, and any Hydro response to those requests.
- 12 **IC-NLH-196** Further to IC-NLH-162: Please provide a list of dates and
13 durations since 2012 when Frequency Converter was not
14 available, and reason for unavailability.
- 15 **IC-NLH-197** Further to IC-NLH-162: Please confirm that if the Frequency
16 Converter could be operated at a higher capacity closer to
17 the nameplate rating, more Deer Lake hydro output could be
18 delivered at 60 Hz, less power would be required to be
19 produced at Holyrood, and the total costs to serve system
20 loads would be reduced.
- 21 **IC-NLH-198** Further to PUB-NLH-390: For clarity please confirm that
22 when calculating all Loss of Load Probability calculations, as
23 well as Peak Load Carrying Capabilities, wind resources are
24 ignored or provided a value of 0 MW. If not correct, please
25 distinguish which calculations consider wind to have any
26 capacity value (and provide the value) and which do not.

DATED at St. John's, in the Province of Newfoundland and Labrador, this 15th day of April, 2015.

POOLE ALTHOUSE

Per: 
Dean A. Porter

STEWART MCKELVEY

Per: 
Paul L. Coxworthy

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