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July 24, 2019

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: Newfoundland Power's 2020 Capital Budget Application

Please find enclosed the original and nine copies of Newfoundland and Labrador Hydro's Notice of Intention to Participate in relation to the above noted Application.

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

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Shirley A. Walsh Senior Legal Counsel, Regulatory

SAW/las

cc:

Gerard Hayes, Newfoundland Power

Dennis Browne, Q.C., Browne Fitzgerald Morgan & Avis

**IN THE MATTER OF** the *Public Utilities Act,* (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 a Board Order approving: (a) its 2020 capital budget in the amount of \$96,614,000 pursuant to section 41(1) of the *Act*; (b) certain capital expenditures related to multi-year projects commencing in 2020 pursuant to section 41(3)(a) of the *Act*; and for a Board Order pursuant to section 78 of the *Act* fixing and determining its average rate base for 2018 in the amount of \$1,117,341,000.

TO: The Board of Commissioners of Public Utilities ("Board")

Intervenor's Submission of Newfoundland and Labrador Hydro ("Hydro")

 Hydro is a corporation continued and existing under the Hydro Corporation Act, 2007, is a public utility within the meaning of the Act and is subject to the provisions of the Electrical Power Control Act, 1994.

## Hydro's Interest in the Matter

- Newfoundland Power is Hydro's largest customer. The energy that Newfoundland Power purchases
  from Hydro constitutes approximately 85% of the energy that is generated or purchased and
  transmitted by Hydro for consumption within the Province of Newfoundland and Labrador.
- 3. All of Hydro's Rural Customers served from the Island Interconnected Grid, and its customers in the Labrador Straits area, pay the same rates as the Board approves for Newfoundland Power's customers. As well, for their "lifeline" consumption, Hydro's non-government customers served

from its isolated diesel systems are also charged the same rates as those charged by Newfoundland Power.

- Hydro is a customer of Newfoundland Power at several of its locations throughout the Island of Newfoundland including Hydro's head office in St. John's.
- It is reasonable to expect that regulatory decisions and principles that are developed and applied to Newfoundland Power will be applicable to Hydro.
- 6. For all of the above reasons, Hydro submits that it has an interest in the capital budget and rate base application filed by Newfoundland Power to ensure that the capital budget and rate base are just and reasonable and in accordance with the principles set out in the *Act*.

## Disposition Advocated by Hydro

7. As of the date of this submission, Hydro is in the process of reviewing and analyzing the Application and therefore has not had an opportunity to determine the disposition of the Application that it may be advocating.

## **Facts and Reasons Supporting the Disposition**

8. As of the date of this submission, Hydro is in the process of reviewing and analyzing the Application and therefore has not had an opportunity to make decisions as to whether it will be providing evidence or as to which arguments it may make in support of any position it may advocate before the Board.

## Hydro's Participation in the Hearing

- 9. Hydro has not, to date, had an opportunity to determine the scope of its intervention. Its intervention may include any or all of the following activities:
  - a. Participating in technical conferences;
  - Directing Requests for Information to Newfoundland Power and other parties as may be permitted by the Board;
  - c. Cross-examining witnesses who testify in this matter; and
  - d. Making legal arguments and other representations to the Board.

DATED at St. John's in the Province of Newfoundland and Labrador this 24 day of July 24, 2019.

Shirley A. Walsh

Counsel for the Applicant Newfoundland and Labrador Hydro

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