

October 31, 2018



Dear [REDACTED]:

Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act* (File # NR-218-2018)

On October 15, 2018, the Department of Natural Resources received your request for access to the following records/information:

In 2015 the Newfoundland and Labrador Net Metering Policy Framework was announced. Has Nalcor or NL Hydro provided any reports to the Department of Natural Resources on the use of this program since that time? If so please provide copies.

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to the requested records. The records are attached. Please note the record was a submission by Nalcor to the PUB, not specifically a report to the Department of Natural Resources but we are attaching it for your information.

As set out in section 42 of the Act you may ask the Information and Privacy Commissioner to review the department's decision to provide access to the requested information. A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner. Your request should identify your concerns with the department's response and why you are requesting a review.

The request for review may be addressed to the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P.O. Box 13004, Stn. A
St. John's, NL. A1B 3V8

Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

Pursuant to section 52 of the Act, you may also appeal directly to the Supreme Court Trial Division within 15 business days after receiving the department's decision.

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Completed Access to Information Requests website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

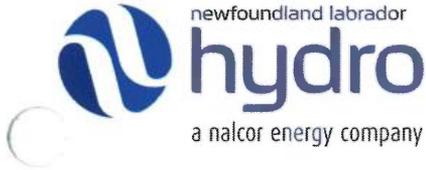
For further details about how an access to information request is processed, please refer to the Access to Information Policy and Procedures Manual at <http://www.atipp.gov.nl.ca/info/index.html>.

If you have any questions, please feel free to contact me at 709-729-0463 or rhynes@gov.nl.ca.

Sincerely,

A handwritten signature in cursive script that reads "Rod Hynes".

Rod Hynes
ATIPP Coordinator



Hydro Place, 500 Columbus Drive,
P.O. Box 12400, St. John's, NL
Canada A1B 4K7
t. 709.737.1400 f. 709.737.1800
www.nlh.nl.ca

March 29, 2018

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 Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: Newfoundland and Labrador Hydro – 2017 Net Metering Program Annual Report

Please find enclosed the original and 10 copies Hydro's *2017 Net Metering Program Annual Report*.

The attached report is filed in compliance with Order No. P.U. 17(2017), wherein the Board ordered that Hydro file annual progress reports on its Net Metering Program that include application and take-up rates, total customer generation installed, associated costs, and any other relevant information.

Should you have any questions, please contact the undersigned.

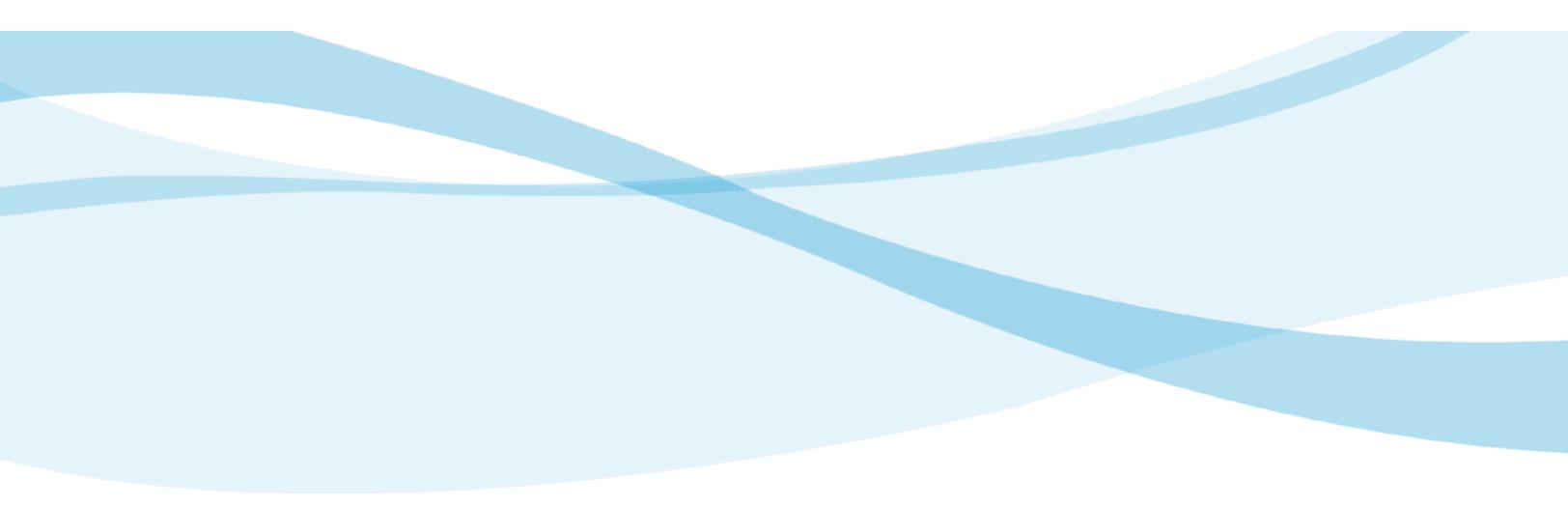
Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Michael Ladha
Legal Counsel & Assistant Corporate Secretary

ML/bs

cc: Gerard Hayes – Newfoundland Power



Net Metering Program Annual Report

March 29, 2018

A Report to the Board of Commissioners of Public Utilities



Table of Contents

1.0	Introduction	1
2.0	Net Metering Program.....	1
3.0	Net Metering Program Costs	2
4.0	Conclusion.....	2

1 **1.0 Introduction**

2 Approved by the Board of Commissioners of Public Utilities (the Board) on May 18, 2017,
3 under P.U. 17(2017), the Net Metering Program, effective July 1, 2017, allows Newfoundland
4 and Labrador electricity customers to generate power from small-scale renewable sources for
5 their own use and supply surplus power to their electricity utility, when available.

6 Newfoundland and Labrador Hydro (Hydro) and Newfoundland Power each offer a net
7 metering option to allow customers to install small-scale renewable generating facilities of
8 100 kW or less to generate power for their own consumption. Between the two net metering
9 options, there is a provincial total limit of 5 MW of generation installed.

10

11 In P.U. 17(2017), the Board also ordered that both Hydro and Newfoundland Power file
12 annual progress reports on its Net Metering Program, including application and take-up rates,
13 total customer generation installed, associated costs, and any additional relevant information
14 beginning April 1, 2018.

15

16 **2.0 Net Metering Program**

17 Since July 1, 2017, Hydro has received two applications for net metering generating systems,
18 one in St. Lewis and another in Ramea, totaling 8.4 kW. In both cases, the applications were
19 for wind power generation in isolated communities with prime power diesel generation.

20 Hydro has not received any net metering application for the interconnected systems. As noted
21 in Hydro's application for Net Metering, the addition of non-firm renewable generation in
22 these low capacity systems could negatively affect reliability. Hydro completed a technical
23 review of both applications.

24

25 The St. Lewis application has been deemed acceptable from an energy perspective, but the
26 proposal has technical loading issues within an isolated diesel plant that need to be addressed
27 before it can proceed. The output from the customer's wind turbine could drop the output of
28 the smallest diesel generator below 30%, which would cause a violation of rural generation
29 planning criteria. The applicant has been notified that they must therefore install, at their

1 cost, a communication system between their system and Hydro's diesel plant to allow for
2 shutdown of the applicant's system during low load periods. Another possible solution that
3 has been suggested to the applicant is the use of solar panels, given that the low load diesel
4 generation periods are at night, at which time the solar panels are not providing power to the
5 system, and thus not contributing to generation below 30% of the smallest generator
6 capacity. Hydro is awaiting a decision from the applicant as to a decision to proceed.

7
8 For the application for Ramea, also an isolated diesel generation system, Hydro determined
9 that the proposal has technical restrictions similar to the ones in St. Lewis. A non-utility wind
10 generator already in service in Ramea, Frontier Power Systems, Inc., utilizes a low-load
11 communication protocol that limits wind generation from forcing the diesels to run below
12 30%. As well, a Power Purchase Agreement, which is also currently in force with Frontier
13 Power, may require priority for consumption of the power produced by the project, and
14 therefore the applicant's energy production may be in violation of that contract. Analysis is
15 ongoing regarding the commercial impact of Net Metering on the contractual arrangements in
16 place in Ramea. A communication system would also be required to ensure that the wind
17 generation would not cause a rural generation planning criteria violation by forcing the diesels
18 to run at generation levels below 30%, and it may also be required to ensure no conflict with
19 the existing contract with Frontier Power Systems.

20 21 **3.0 Net Metering Program Costs**

22 To date, costs incurred by Hydro have been approximately \$2,000 associated with technical
23 engineering reviews.

24 25 **4.0 Conclusion**

26 Hydro remains in consultation with Newfoundland Power regarding the provincial limit of 5
27 MW. To date, the aggregate capacity of the applications received by Newfoundland Power is
28 156 kW, for a total of 164.4 kW between both utilities. At this time, Hydro has no active net
29 metering customers.