

1 Q. **Cost of Service**

2 What is the Holyrood fuel conversion factor used in the cost of service study and
3 what is the basis for using this fuel conversion factor? Please provide a comparison
4 of the amounts allocated to each customer class on the Island Interconnected
5 System in dollars and average cents/kWh using the proposed Holyrood fuel
6 conversion factor and the forecast Holyrood fuel conversion factor averaged over
7 the period 2015 through 2017.

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10 A. The Holyrood fuel conversion factor used in the 2015 Cost of Service Study is 607
11 kWh/bbl. Please refer to Section 2, Pages 2.74 to 2.76 of the Evidence to Hydro's
12 Amended Application for the basis for this forecast. The forecast Holyrood fuel
13 conversion factor averaged over the period 2015 through 2017 is 604 kWh/bbl.

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15 Please see CA-NLH-302 Attachment 1 for a comparison of the 2015 No. 6 fuel cost
16 allocated to each Island Interconnected System customer class using: (i) the
17 proposed Holyrood fuel conversion factor and (ii) the forecast Holyrood fuel
18 conversion factor averaged over the period 2015 through 2017.

Comparison of Customer Impact on Cost of Service using requested Holyrood Efficiency Factor

Line No	Basis of Allocation (MWh @ Gen)	A	B	C
		As Filed @ 607 kWh/bbl	As requested @ 604 kWh/bbl	
		\$	\$	
1	Total Island Interconnected No. 6 Fuel Cost		245,426,358	246,626,358
Allocated Cost:				
2	Newfoundland Power	0.8452	207,425,771	208,439,969
3	Industrial - Firm	0.0887	21,757,630	21,864,013
4	Industrial - Non-Firm	-	-	-
5	Rural			
6	1.1 Domestic	0.0171	4,195,454	4,215,968
7	1.12 Domestic All Electric	0.0219	5,372,404	5,398,672
8	1.3 Special	0.0001	13,190	13,255
9	2.1 GS 0-10 kW	-	-	0
10	2.2 GS 10-100 kW	0.0118	2,893,593	2,907,742
11	2.3 GS 110-1,000 kVa	0.0094	2,301,213	2,312,465
12	2.4 GS Over 1,000 kVa	0.0055	1,360,051	1,366,701
13	4.1 Street and Area Lighting	0.0004	107,051	107,574
14	Subtotal Rural	0.0662	16,242,957	16,322,376
15	Total	1.0000	245,426,358	246,626,358