

1 Q. **Labrador T&D costs**

2 **Re: Amended Application, p. 4.48, lines 5-10**

3 Citation:

4 Hydro has isolated the Labrador Industrial transmission revenue  
5 requirement in accordance with the approved Cost of Service  
6 functionalization. The transmission costs were classified as 100% demand  
7 related, consistent with the approved classification methodology. The  
8 transmission demand-related costs were then allocated between Labrador  
9 Industrial Customers and Rural customers based on the approved single  
10 coincident peak allocation method.

11 Preamble:

12 Table 4.14 shows the Labrador Industrial Allocation to be 63.37%. Note 2  
13 indicates that this figure comes from Exhibit 9, Schedule 3.1E, page 1 or 2,  
14 Line 14, Col. 5. This schedule indicates the value of .6337 for IOCC Firm, but  
15 does not indicate how it was derived.

16 Please:

- 17 • confirm that the value of .6337 for IOCC Firm was obtained by dividing  
18 IOCC Firm demand of 243,000 kW by Total Labrador Interconnected demand  
19 of 383,477 kW; and  
20 • explain why IOCC is the only Labrador industrial customer included in this  
21 calculation.

22 Are any other Labrador industrial customers foreseen during the period of  
23 application of the rates resulting from this GRA (2015-2017)?

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26 A. The value of 0.6337 was obtained by dividing firm demand of 273,606 kW by Total  
27 Labrador Interconnected firm demand of 431,777 kW, based on 1 CP allocation.

- 1 The firm demand for IOCC includes an amount for Wabush Mines of 18,240 kW.
- 2 There are no other Labrador Industrial Customers forecast for the 2015-2017
- 3 period.