

1 Q. **Reference: CA-NLH-166, Table 1**

2 With reference to the table,

3 a) Is Table 1 meant to provide reasonable proxies for the 2027 all-in marginal cost of
4 supplying Newfoundland Power?

5 b) For the monthly estimates based on Newfoundland Power's 2024 load, provide a
6 decomposition of each month's all-in marginal cost into energy, operating reserves,
7 generation capacity and transmission capacity.

8 c) Other than for the variation in export price at the Salisbury hub, what are the causes of
9 the variation in the monthly values of the all-in marginal costs of supplying
10 Newfoundland Power?

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13 A. a) Yes, Table 1 within Newfoundland and Labrador Hydro's response to CA-NLH-166 of this
14 proceeding is meant to provide reasonable proxies of December 2025 all-in marginal costs
15 for 2027. Marginal costs do not consider utilities' sunk and fixed capital costs.

16 b) Please refer to Table 1.

Table 1: Marginal Costs of Energy/Reserve and Generation and Transmission Capacity, Monthly (\$CAD/MWh)

Load Year 2024	Energy and Reserves	Marginal Generation	Marginal Transmission	All-in Marginal Cost
Jan	127.14	185.16	5.52	317.82
Feb	102.41	113.65	25.06	241.12
Mar	44.25	60.71	2.68	107.64
Apr	26.14	12.32	0.00	38.46
May	23.24	0.65	0.00	23.89
Jun	28.38	0.59	0.00	28.98
Jul	51.39	0.39	0.00	51.78
Aug	45.34	0.07	0.00	45.41
Sep	29.10	0.19	0.00	29.29
Oct	30.28	0.72	0.00	31.00
Nov	45.23	12.34	0.00	57.57
Dec	85.68	118.65	0.57	204.90

- c) Numerous factors can influence the monthly all-in marginal costs beyond the marginal cost of energy. The primary factors include the inputs used to calculate the marginal costs of generation and transmission, as well as the load profile used to allocate annual costs across the monthly values presented in Table 1.