

1 Q. Reference: OC-NLH-017, Table 1; IOC-NLH-018, Table 1; Vol. I, Schedule F 2.4E (PDF pp. 292–
2 293); Vol. I, Schedule F 2.1E, I. 1 (PDF p. 287); PUB-NLH-046 (indirect loader); Vol. I, sec. 6.2.1,
3 item 4) (PDF p. 178); Vol. I, Ch. 3, Table 3-4 (PDF p.121).

4 Preamble:

5 IOC-NLH-018 reports direct Labrador transmission operating and maintenance costs of
6 \$2,642,799 for the 2019 Test Year and \$2,937,178 for the 2027 Test Year, an increase of 11.1%,
7 excluding the allocation of Administrative and General costs. IOC-NLH-017 reports total
8 transmission demand operating and maintenance costs in the Cost of Service of \$3,298,085 and
9 \$4,679,099 for the same years. The allocated, non-direct component therefore rose from
10 \$655,286 to \$1,741,921 — an increase of 165.8% — and from 24.8% to 59.3% of direct costs.

11 Provide the Labrador Industrial transmission demand revenue requirement and rate restated
12 with the allocated (non-direct) amount held at the 2019 Test Year proportion of direct operating
13 and maintenance costs (24.8%), all else unchanged, in the format of IOC-NLH-011, Table 1.

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16 A. Please refer to Newfoundland and Labrador Hydro's response to IOC-NLH-031 of this proceeding
17 which indicates that the allocated (non-direct) amount held at the 2019 Test Year proportion of
18 direct operating and maintenance costs will be 52.90% (vs 24.8% as stated in the preamble).

19 The relevant cost of service values are provided in Table 1.

Table 1: Cost of Service Values

Description	2027TY Proposed	53% O&M Costs¹
Non-Coincident Maximum (kW)	317,000	317,000
Transmission Demand (kW)	298,387	298,387
Labrador Industrial Transmission-Demand Allocation Factor (%)	66.02%	66.02%
Labrador Interconnected Transmission-Demand Revenue Requirement (\$)	11,524,019	11,197,604
Revenue Requirement Allocated to Labrador Industrial (\$)	7,608,203	7,392,701
Annual Billing Determinant (kW/month)	3,804,000	3,804,000
Calculated Transmission-Demand Rate (\$/kW/month)	2.00	1.94
Transmission Demand O&M – Transmission (\$)	2,846,299	2,846,299
Transmission Demand O&M – Total (\$)	4,679,099	4,351,991
Variance (\$)	1,832,800	1,505,692
Variance as % of Transmission Demand O&M – Transmission (%)	64.39%	52.90%

¹ 52.90% reflects the allocated costs as a percentage of direct Operating and Maintenance (“O&M”) costs from the 2019 Test Year.