

1 Q. Reference: IOC-NLH-013; IOC-NLH-014; PUB-NLH-040; PUB-NLH-044; LAB-NLH-012; LAB-NLH-
2 015; Vol. I, sec. 6.8.3 and Table 6-10 (PDF p. 201); Vol. I, secs. 6.10.4–6.10.5 (PDF p. 205); Vol. I,
3 Application, paras. (xvi) and (xviii) (PDF p. 28); Vol. III (Rev. 1), Exhibit 18 (PDF p. 982) and
4 Exhibit 19 (PDF p. 984).

5 Preamble:

6 Section 6.8.3 phases the 8.54% increase for Rural Labrador Interconnected customers at 2.25%
7 per year over four years, citing Government's support for rate smoothing to ease cost-of-living
8 pressures (Exhibit 18), with the resulting deficiency recorded in a Revenue Deficiency Deferral
9 Account (section 6.10.4) and a residual of approximately \$3.3 million deferred to the next
10 general rate application (Table 6-10). IOC-NLH-013 states that the 8.54% increase is "not
11 considered a rate shock". The Labrador Industrial transmission demand rate is proposed to
12 increase from \$1.08 to \$2.00 per kW per month (85.9% per IOC-NLH-011, Table 1) in a single
13 step effective July 1, 2027. IOC-NLH-013, IOC-NLH-014 and PUB-NLH-040 do not address
14 whether a phase-in was considered for the Labrador Industrial class.

15 State whether Hydro proposes any phase-in of the Labrador Industrial transmission demand
16 rate and, if not, state each reason for implementing the full increase in a single step.

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19 A. Please refer to Newfoundland and Labrador Hydro's response to IOC-NLH-037 of this
20 proceeding.