

1 **Q. Reference: Volume I, Section 6.7.3; Table 6-7; Exhibit 17**

2 Hydro states that the second-block energy price is based on forecast export prices and reflects
3 the opportunity cost of the market value of exports. The proposed rates are 8.889¢/kWh for
4 December through March and 3.285¢/kWh for April through November.

5 **a)** Provide the complete derivation of each seasonal second-block price including the
6 hourly market price data, customer load profiles, loss factors, exchange rates, and any
7 other adjustments used.

8 **b)** Identify the market hub or pricing point represented by the export-price forecast and
9 the source and vintage of the forecast.

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12 **A. a)** Please refer to PUB-NLH-131, Attachment 1, provided in Excel format, for hourly market
13 load prices and the combined industrial load profile. The hourly market price data is derived
14 from the marginal cost model, which utilizes a Salisbury netback price¹ as an input. Salisbury
15 is a market hub located in the New England electricity market. For August 2025, the
16 Salisbury netback price was calculated using a foreign exchange rate of \$1.33 USD/CAD, an
17 NBSO² loss factor of 3.30% and a Maritime Link loss factor of 4.63%. Please refer to
18 PUB-NLH-131, Attachment 2 for the monthly Nova Scotia transmission loss factors. The
19 applicable transmission loss factor is the NB-NS Border to Woodbine Station loss factor.

20 **b)** Please refer to Newfoundland and Labrador Hydro's response to part a).

¹ Salisbury Net Back Price = (((Salisbury Forecasted Price x Foreign Exchange Rate) - Cost of New Brunswick System Operator Transmission) x New Brunswick System Operator Transmission Loss Factor) - Cost of Nova Scotia System Operator Transmission) x Nova Scotia System Operator Transmission Loss Factor x Maritime Link Loss Factor.

² New Brunswick System Operator ("NBSO").

Point to Point Seasonal Transmission Loss Factors

For Point-to-Point service, the Transmission Provider will seasonally calculate loss factors to be used on a path-by-path basis. For each season, Warm, Hot, Cool and Cold, the power flow models used to calculate the losses will include peak and off-peak hours to derive an average loss factor for each path. For long-term Point-to-Point service, the annual loss factor to be used for a particular path is the average of the seasonal values. The loss factors will be posted on the Transmission Provider's OASIS site.

Seasons	Temperature Ranges
Cold	< -10°C
Cool	>= -10°C and <= 5°C

Seasons	Temperature Ranges
Warm	>= 5°C and <= 15°C
Hot	> 15°C

POINT OF RECEIPT	POINT OF DELIVERY	NOTES	LOSS FACTOR IN PERCENT											
			January	February	March	April	May	June	July	August	September	October	November	December
NB – NS Border	Berwick	N/A	7.6%	7.6%	7.6%	7.6%	6.4%	6.4%	10.4%	10.4%	10.4%	6.4%	6.4%	6.8%
NB – NS Border	Mahone Bay	N/A	4.4%	4.4%	4.4%	4.4%	3.7%	3.7%	5.5%	5.5%	5.5%	3.7%	3.7%	4.6%
NB – NS Border	Antigonish	*Note 1	0.4%	0.4%	0.4%	0.4%	0.8%	0.8%	0.7%	0.7%	0.7%	0.8%	0.8%	0.3%
NB – NS Border	Riverport	*Note 1	9.5%	9.5%	9.5%	9.5%	8.2%	8.2%	9.8%	9.8%	9.8%	8.2%	8.2%	9.9%
NB – NS Border	Woodbine Substation	*Note 1, 2	-4.1%	-4.1%	-4.1%	-4.1%	-4.3%	-4.3%	-2.8%	-2.8%	-2.8%	-4.3%	-4.3%	-4.4%
Woodbine Substation	NS – NB Border	*Note 2	7.1%	7.1%	7.1%	7.1%	6%	6%	9.1%	9.1%	9.1%	6%	6%	4.5 %
Woodbine Substation	Berwick	N/A	14.4%	14.4%	14.4%	14.4%	17.5%	17.5%	16.7%	16.7%	16.7%	17.5%	17.5%	13.3%
Woodbine Substation	Mahone Bay	N/A	11.6%	11.6%	11.6%	11.6%	14.5%	14.5%	11%	11%	11%	14.5%	14.5%	8%