

1 Q. (Expert Evidence – JT Browne Consulting) Please confirm the correctness of the
2 following statement:

3 *Hydro is proposing to recover operating and maintenance costs of the*
4 *LIL/LTA assets from Island customers beginning in 2018. Hydro will also*
5 *recover the cost of Island network transmission assets from Island*
6 *customers as those costs are built in to retail rates. Hydro is proposing to*
7 *file an open access transmission tariff during the first quarter of 2018. The*
8 *open access transmission tariff will recover the costs of Island network*
9 *transmission, Labrador network transmission, and capital, operating and*
10 *maintenance costs of the LIL/LTA assets.*

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12 Please correct any inaccuracies in this statement. If the statement is correct, will
13 Island customers pay less than third parties for use of the transmission system
14 following implementation of the open access regime, presumably when the LIL/LTA
15 transmission assets are commissioned in July 2018, and if so, is this consistent with
16 the objectives of an open access regime?

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19 A. This response has been provided by JT Browne Consulting.

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21 As explained in Hydro’s response to NP-NLH-265, it is Mr. Browne’s understanding
22 that Hydro is not proposing to recover costs related to the Labrador-Island Link and
23 the Labrador Transmission Assets prior to commissioning of the Muskrat Falls
24 Project.

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26 As to reviewing the above paragraph and correcting any inaccuracies, Mr. Browne’s
27 understanding of the Muskrat Falls Project is based on information provided by

- 1 Hydro and he was not asked to verify this information and did not undertake the
- 2 work necessary to verify it.