

1 Q. LAB-NLH-53 Re: Re: IOC-NLH-024

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3 **Citation:**

4 The estimated revenue requirement related to the capital investment based on the
5 2014 capital cost projection (excluding increased operating and maintenance costs)
6 is approximately \$24.7 million per year. Based on the 2019 Test Year forecast Power
7 on Order of 245 MW, approximately 60% of the additional transmission revenue
8 Transmission customer class. This additional revenue requirement reflects an
9 average monthly demand charge of \$5.05 per kW or approximately 0.9¢ per kWh.

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11 Please specify:

- 12 a) what percentage of the \$24.7 million per year in additional revenue
13 requirement will be borne by (i) residential and (ii) general service customers in
14 Labrador;
- 15 b) The average amount per kWh that this will add to (i) residential and (ii) general
16 service rates in Labrador.

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19 A. a) Based on Hydro's 2019 Test Year Cost of Service study, the additional revenue
20 requirement would be allocated approximately 23% to residential customers
21 and approximately 18% to general service customers.

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23 b) An allocation of this amount based on the 2019 Test Year Cost of Service Study
24 would increase residential customer rates by approximately 1.8 cents per kWh
25 and general service customer rates by approximately 1.4 cents per kWh, on an
26 average unit cost basis.