

NLH-LAB-005

Q: Further to NLH-LAB-004, is Mr. Raphals suggesting that FERC standards for network policy additions apply to Hydro's general service customers served from Hydro's distribution systems, including additions to isolated diesel systems that are driven by customer load increases? Please provide an explanation to support the answer.

A. The following is the response of Mr Phil Raphals:

See the response to NLH-LAB-004.

With regard to general service customers in isolated diesel systems, it is hard to see how they would require transmission upgrades. However, as a general principle, I would expect that, if providing service to a new general service customer in an isolated diesel system would require substantial capital additions that would have significant rate impacts upon other users, the Board's terms and conditions would ensure that the costs of those additions were borne in large part by the new user.