

1 Q. **Reference: Schedule 1 – Long-Term Supply for Southern Labrador – Phase 1**

2 Further to the response to PUB-NLH-015:

3 a) Please respond to the RFI using Alternative 3A project costs only (i.e., without using
4 Alternative 1 as a comparison).

5 b) Please respond to the RFI using Alternative 4 (Interconnection to the Labrador
6 Interconnected system) project costs only.

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9 A. a) PUB-NLH-038, Attachment 1 provides the response using Alternative 3a project costs only.

10 b) Detailed cost estimates are not available to complete this analysis for Alternative 4.
11 Alternative 4 was removed from further analysis due to the magnitude of its estimated
12 upfront capital cost.¹

¹ Please refer to Newfoundland and Labrador Hydro's response to PUB-NLH-010 of this proceeding for additional details.

Long-Term Supply for Southern Labrador
Forecast Revenue Requirements and Cost per Customer
Alternative 3A

Year	Revenue Requirement (\$ million)	Labrador Isolated ¹ (\$ million)	Rural Deficit ¹ (\$ million)	Newfoundland Power ² (\$ million)	Labrador Interconnected ² (\$ million)	Number of Customers ³	Cost per Customer (\$000)
2023	0.1	0.0	0.1	0.1	0.0	876	0.1
2024	1.8	0.4	1.4	1.3	0.1	879	2.0
2025	10.0	2.4	7.6	7.3	0.3	883	11.3
2026	9.9	2.4	7.5	7.2	0.3	883	11.2
2027	10.1	2.4	7.7	7.4	0.3	883	11.4
2028	10.3	2.5	7.8	7.5	0.3	883	11.7
2029	10.4	2.5	7.9	7.6	0.3	883	11.8
2030	10.9	2.6	8.3	8.0	0.3	883	12.3
2031	11.8	2.8	9.0	8.6	0.3	883	13.4
2032	11.8	2.8	9.0	8.6	0.3	883	13.4
2033	11.9	2.9	9.0	8.7	0.4	883	13.5
2034	12.7	3.0	9.7	9.3	0.4	883	14.4
2035	11.9	2.9	9.0	8.7	0.4	883	13.5
2036	12.0	2.9	9.1	8.8	0.4	883	13.6
2037	12.0	2.9	9.1	8.8	0.4	883	13.6
2038	12.0	2.9	9.1	8.8	0.4	883	13.6
2039	12.3	3.0	9.3	9.0	0.4	883	13.9
2040	12.2	2.9	9.3	8.9	0.4	883	13.8
2041	12.2	2.9	9.3	8.9	0.4	883	13.8
2042	12.3	3.0	9.3	9.0	0.4	883	13.9
2043	12.3	3.0	9.3	9.0	0.4	883	13.9
2044	13.2	3.2	10.0	9.6	0.4	883	14.9
2045	12.8	3.1	9.7	9.3	0.4	883	14.5
2046	13.2	3.2	10.0	9.6	0.4	883	14.9
2047	13.1	3.1	10.0	9.6	0.4	883	14.8
2048	13.2	3.2	10.0	9.6	0.4	883	14.9
2049	13.5	3.2	10.3	9.9	0.4	883	15.3
2050	13.2	3.2	10.0	9.6	0.4	883	14.9
2051	13.5	3.2	10.3	9.9	0.4	883	15.3
2052	13.6	3.3	10.3	9.9	0.4	883	15.4
2053	13.9	3.3	10.6	10.2	0.4	883	15.7
2054	15.0	3.6	11.4	11.0	0.4	883	17.0
2055	13.8	3.3	10.5	10.1	0.4	883	15.6
2056	13.6	3.3	10.3	9.9	0.4	883	15.4
2057	13.6	3.3	10.3	9.9	0.4	883	15.4
2058	13.6	3.3	10.3	9.9	0.4	883	15.4
2059	14.0	3.4	10.6	10.2	0.4	883	15.9
2060	12.7	3.0	9.7	9.3	0.4	883	14.4
2061	13.5	3.2	10.3	9.9	0.4	883	15.3
2062	14.5	3.5	11.0	10.6	0.4	883	16.4
2063	14.6	3.5	11.1	10.7	0.4	883	16.5
2064	16.6	4.0	12.6	12.1	0.5	883	18.8
2065	16.7	4.0	12.7	12.2	0.5	883	18.9
2066	16.5	4.0	12.5	12.1	0.5	883	18.7
2067	16.5	4.0	12.5	12.1	0.5	883	18.7
2068	16.1	3.9	12.2	11.8	0.5	883	18.2
2069	17.0	4.1	12.9	12.4	0.5	883	19.3
2070	17.0	4.1	12.9	12.4	0.5	883	19.3
	609.4	146.3	463.1	445.1	18.1		

¹ As noted in Newfoundland and Labrador Hydro's response to PUB-NLH-015 of this proceeding, the average revenue to cost ratio for customers on the Labrador Isolated system in the 2019 Test Year is 24% which represents their portion of costs allocated to be recovered through rates. This results in the remaining 76% of the costs being recovered through the rural deficit.

² The rural deficit is allocated to Newfoundland Power Inc. and Labrador Interconnected customers in the same proportion as the 2019 Cost of Service Study, which is 96.1% and 3.9%, respectively.

³ Forecast number of customers available up to 2025 and held constant throughout the study period for the purpose of this calculation.