

Undertaking 42

Re: The amount of increase in return on rate base for Labrador Interconnected.

Undertake to provide how much of that increase can be attributed to the Labrador City distribution upgrade (reference CA-NLH-090).

Of the total increase in return on rate base for the Labrador Interconnected System of \$2.8 million (\$3.5 million in the 2007 Test Year to \$6.3 million in the 2015 Test Year), approximately \$1.8 million¹ relates to the spending for the Labrador City Distribution Upgrade Project.

¹ Approximately \$26 million average NBV multiplied by 2015 Test Year WACC of 6.817%.