NLH 2013 Amended General Rate Application	n
Undertaking - # 45 (Revi)	
Filed: 10011, 2015 Board Secretary:	8k

U-45 (Rev 1; Nov 16, 2015). Island Industrial Customer ("IIC") Phase-In Rate Impacts

On October 28, 2015 Hydro filed a 2016 Interim Industrial Rates Application (the "Application"). The Application proposes implementation of the 2015 Test Year base rate demand and energy charges to the Island Industrial Customers (IIC) reflecting a No. 6 fuel cost of \$64.41 per barrel (\$Cdn) effective January 1, 2016. The Application also proposed: (i) to revise the RSP Surplus (demand and energy) Adjustments for the period January 1, 2016 to August 31, 2016 to offset the billing impacts of the proposed increase in base rates. (ii) to revise the RSP rules to provide for the transfer of any remaining balance in the IIC RSP Surplus at August 31, 2016 to the IIC RSP current balance, and (iii) no change to specifically assigned charges.

Hydro anticipates final approval of 2015 Test Year rates to become effective by mid-2016. Board approval of final IIC rates in 2016 combined with the phase-out of the IIC RSP Surplus Adjustments will conclude the phase-in of IIC rates.

U-45 Attachment 1 provides a summary of the pro-forma forecast IIC rate impacts for both January 1, 2016 and September 1, 2016. Hydro: notes that the forecast September 1, 2016 rate impact could vary depending on the final GRA Board Order regarding the methodology approved for determining specifically assigned charges, i.e. the S1,690,896 initially proposed in the Amended GRA versus the S1,136,686 per the recommended alternate methodology as outlined in Undertaking 45-1.

Newfoundland and Labrador Hydro Island Industrial Rate Phase-in

Total IIC including Specifically Assigned Charges as Filed in Amended Application

Demand (kWs)		July 2015 Unit Existin W/mo 7.3	g \$	Jan 1 2016 Proposed 8.38	\$ 8,923,024	Percent Increase vs July 2015	Sept 1 2016 Proposed 8.38	\$ 8,923,024	Percent Increase vs Jan 1 2016
Energy (MWhs)	621,400 mills	ls/kWh 40.4	4 25,129,416	40.69	25,284,766		40.69	25,284,766	
Spec. Assigned	\$	684,31	2 <u>684,312</u> 33,640,008	_ 684,312 _	684,312 34,892,102	3.7%	1,690,896	1,690,896 35,898,686	2.9%
RSP: Teck Rate RSP: Fuel Rider		ls/kWh (11.4 ls/kWh	1) (232,764)	(11.41)	(232,764) -				
RSP Surplus Adj - Demand RSP Surplus Adj Energy	1,064,800 \$/kV 621,400 mills	W (0.4 ls/kWh (2.6	, , ,		(1,618,496)				
Total RSP	521,400 Hills	(2.0	(2,426,082)	. ^(2.94) _ · _	(1,826,916) (3,678,176)			-	
Firm plus RSP			_31,213,926		31,213,926	0.0%		35,898,686	15.0%

Newfoundland and Labrador Hydro Island Industrial Rate Phase-in

Total IIC Including Specifically Assigned Charges per Alternate Method

	2015 Billing Units	Unit	July 1 2015 Existing	\$	Jan 1 2016 Proposed	8	Percent Increase vs July 2015	Sept 1 2016 Proposed	s	Percent Increase vs Jan 1 2016
Demand (kWs)	1,064,800	\$/kW/mo	7.35	7,826,280	8.38	8,923,024		8.38	8,923,024	
Energy (MWhs) Spec. Assigned	621,400	mills/kWh \$	40.44 684,312	25,129,416 684,312	200 de 146 de 146 de 146 de 166 d	25,284,766 684,312		40.69 1,136,686	25,284,766 1,136,686	
				33,640,008		34,892,102	3.7%		35,344,476	1.3%
RSP: Teck Rate RSP: Fuel Rider	and the straightful to be a second to	mills/kWh mills/kWh	(11.41)	(232,764)	(11.41)	(232,764)				
RSP Surplus Adj - Demand	1,064,800	\$/kW	(0.49)	(521,752)	(1.52)	(1,618,496)	dentice they comes the common street	Vortel en let et Blinkele. Hand Descente Care	et mpeli lange hell. Ganda velok en en ar	
RSP:Surplus AdjEnergy	621,400	mills/kWh.	(2.69)	(1,671,566)	(2.94)	(1,826,916)				
Total RSP Firm plus RSP				(2,426,082) 31,213,926		(3,678,176) 31,213,926	0.0%		35.344.476	13.2%