

1 Q. Please provide the marginal and embedded demand costs estimated in the 2017 GRA.

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4 A. In Newfoundland and Labrador Hydro's ("Hydro") 2017 General Rate Application ("GRA"), the
5 embedded demand cost for Newfoundland Power Inc. was \$12.21/kW-month and \$10.73/kW-
6 month for Industrial Customers.¹

7 In February 2016, Christensen Associates Energy Consultants filed the report *Marginal Cost*
8 *Report, Part II Estimation: Marginal Costs of Generation and Transmission Services for 2019*²
9 which stated that the marginal demand costs were \$8.2/MWh for Generation Capacity Costs
10 and \$4.5/MWh for Transmission Capacity Costs. In 2017, these costs were later revised to reflect
11 updated assumptions relating to Holyrood Thermal Generating Station and the availability of the
12 Labrador-Island Link at the time. The updated costs were \$1.4/MWh for Generation Capacity
13 Costs and \$4.2/MWh for Transmission Capacity Costs.³

¹ "2017 General Rate Application, Compliance Application," Newfoundland and Labrador Hydro, filed on July 11, 2019, exh. 14, p. 10 of 107.

² Please refer to LAB-NLH-021, Attachment 3 of Hydro's 2017 General Rate Application proceeding.

³ Please refer to CA-NLH-081 of Hydro's 2017 General Rate Application proceeding.