

1 Q. Schedule II of Mr. Budgell's Prefiled Testimony indicates that actual
2 transmission losses on the Labrador Interconnected System in 1992 were
3 83% higher than forecast in the 1991 PUB filing. In addition, between 1992
4 and 2000, actual transmission losses increased by 98%, and represented
5 12% of the total energy requirement on the Labrador Interconnected System
6 (versus 4% forecast in the 1991 PUB filing). What are the reasons for
7 Hydro's poor performance in this area?

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10 A. See response to LC-14. Transmission losses of 12% on the Labrador
11 Interconnected System in 2000 are not an issue of poor performance. This
12 loss rate reflects the incremental losses on this transmission system,
13 reflecting both the line's original design and its present utilization.