

1 Q. With reference to NP-129,

2 a. The table in NP-129 lists a significant reduction in specifically
3 assigned costs to CFB. Please explain this reduction.

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5 b. NP-129 (b) notes that CFB is served under rate class 2.4 General
6 Service Over 1,000 kVa. Is this the only rate class that CFB is served
7 under? Please explain why sales under rate class 2.4 are treated as
8 secondary.

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10 A. a. The significant reduction in specifically assigned charges relates to the
11 25 kV line which was originally installed to provide secondary energy
12 to the CFB Goose Bay boilers. Since CFB Goose Bay was the sole
13 customer at that time, the line was specifically assigned. Upon review
14 of the plant assignments for the current hearing, it was determined
15 that there are two customers presently served from the 25 kV line and
16 therefore it is no longer specifically assigned thus resulting in a
17 significant assigned cost reduction.

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19 b. As outlined in response to NP-129 (b), which refers to firm power
20 requirements, CFB is served under Rate Class 2.4. In addition, CFB
21 Goose Bay is also currently served secondary energy under separate
22 contractual arrangements. Hydro is applying to serve CFB Goose Bay
23 secondary energy under Rate No. 3.1H which is outlined on Schedule
24 A, page 18, in Hydro's current Application.