

- 1 Q. Reference: IC-271 (Rev) Transmission Demand RSP reallocations and 1985
2 Report of the Board on Hydro's Rate Proposals
- 3 a) Please confirm that in the attached Table 3:
- 4 i. columns A and B show the 1992 PUB approved Transmission
5 Demand Cost from IC-1(a) Forecast Final COS Schedule 3.2A
6 page 2;
- 7 ii. columns C and D show the 2000 RSP Transmission Demand
8 cost allocation from IC-271;
- 9 iii. columns G and H show the 2001RSP Transmission Demand
10 cost allocation from IC-272(a).
- 11 b) Please confirm that in Table 3, the small reallocation for 'Revised
12 Rural Customers' is shown as the last line of the table and accounts
13 for the entire difference in Transmission Demand costs in the three
14 years shown.
- 15 c) Please confirm that Table 3 shows a reallocation of 'Transmission
16 Demand' costs between customer groups from the 1992 Forecast
17 Final COS.
- 18 d) Please confirm that, similar to 'Production Demand' costs noted
19 above, reallocation of 'Transmission Demand' costs has no net impact
20 on Hydro's earnings.
- 21 e) Please provide the basis for Hydro reallocating 'Transmission
22 Demand' costs in the RSP.
- 23 f) Please confirm that Hydro does not propose to continue with
24 reallocation of the 'Transmission Demand' costs in the RSP in future
25 years.

Table 3: Transmission Demand Cost Allocation

| | column A | column B | column C | column D | column E | column F | column G | column H | column I | column J |
|--|------------------------------------|--------------|-----------------------------------|--------------|--|-------------------|-----------------------------------|--------------|--|-------------------|
| | 1992 COS FINAL from IC-1(a) | | 2000 RSP from IC-271 | | | | 2001 RSP from IC-272(a) | | | |
| | Production Demand Cost Allocation | <i>Ratio</i> | Production Demand Cost Allocation | <i>Ratio</i> | Production Demand Costs using 1992 PUB approved allocation | <i>difference</i> | Production Demand Cost Allocation | <i>Ratio</i> | Production Demand Costs using 1992 PUB approved allocation | <i>difference</i> |
| Newfoundland Power | 21,119,090 | 78.63% | 20,472,295 | 76.26% | 21,107,427 | -635,132 | 20,580,045 | 76.66% | 21,107,215 | -527,170 |
| Island Industrial | 3,813,507 | 14.20% | 4,084,609 | 15.22% | 3,811,401 | 273,208 | 3,907,315 | 14.56% | 3,811,363 | 95,952 |
| Rural Interconnected | 1,927,677 | 7.18% | 2,288,537 | 8.52% | 1,926,612 | 361,925 | 2,357,811 | 8.78% | 1,926,593 | 431,218 |
| Total | 26,860,274 | 100.00% | 26,845,441 | 100.00% | 26,845,441 | 0 | 26,845,171 | 100.00% | 26,845,171 | 0 |
| <i>Difference due to Revised Rural Customers</i> | | | | | | -14,833 | | | | -15,103 |

-
- 1 A. Reference: : IC-271 (Rev) Transmission Demand RSP reallocations and
2 1985 Report of the Board on Hydro's Rate Proposals
- 3 a) In the attached Table 3:
- 4 i. columns A and B show the 1992 PUB approved Transmission
5 Demand Cost from IC-1(a) Forecast Final COS Schedule 3.2A
6 page 2;
- 7 ii. columns C and D show the 2000 RSP Transmission Demand
8 cost allocation from IC-271;
- 9 iii. columns G and H show the 2001RSP Transmission Demand
10 cost allocation from IC-272(a).
- 11 b) In Table 3, the small reallocation for 'Revised Rural Customers' is
12 shown as the last line of the table and accounts for the entire
13 difference in Transmission Demand costs in the three years shown.
- 14 c) Table 3 shows a reallocation of Transmission Demand costs between
15 customer groups from the 1992 Forecast Final COS.
- 16 d) The RSP redistributes Production Demand costs from the 1992 COS
17 between customer groups, which has no net impact on Hydro's
18 earnings.
- 19 e) Please see reply to part e) of IC-284.
- 20 f) Please see reply to part f) of IC-284.