

# **Newfoundland & Labrador Hydro**

## **2003 General Rate Application**

### **Towns of Labrador City and Wabush Responses to Hydro Information Requests**

#### **Request**

NLH-239 LC      Please confirm that the difference in IOCC's cost allocations of \$795,038 as proposed by M. Drazen (Schedule 3, Page 1, Column 4, Line 21) and the IOCC cost allocation of \$2,654,841 proposed by R. Greneman (Exhibit RDG-1, Page 3, Column 3, Line 3) would result in additional cost allocations to Hydro's rural customers in Happy Valley/Goose Bay of \$1,859,803.

#### **Response**

Mr. Greneman's cost of service study allocates to IOCC the cost of standby capacity in Labrador East as well as the cost of the Hydro-owned lines from Churchill Falls to Labrador East. The effect of this is to allocate about \$1.9 million of cost to IOCC for facilities that do not serve IOCC.