

Newfoundland & Labrador Hydro

2003 General Rate Application

Towns of Labrador City and Wabush Responses to Hydro Information Requests

Request

NLH-248 LC With reference to Page 4 paragraph 3, please describe what constitutes an "integrated system"?

Response

"Integrated" means that all portions of the system are connected and are used to serve all customers. However, the fact that parts of the system are electrically connected does not by itself mean that the costs of all such parts should be allocated to all customers. For example, lower voltage distribution facilities are connected to high voltage transmission, but customers served at transmission voltage are not allocated costs of the distribution system.