Newfoundland & Labrador Hydro 2003 General Rate Application

Towns of Labrador City and Wabush Responses to Hydro Information Requests

Request

NLH-254 LC

With reference to Page 5 note 9, why should the cost of standby capacity installed to support firm load not be charged to customers receiving firm service but to one receiving secondary service?

Response

The cost of standby capacity should be charged to whichever customers are receiving the power. The footnote indicated the possibility that this capacity was installed to serve CFB Goose Bay. If that is not the case, then it should be charged to the other customers in Labrador East.