

Newfoundland & Labrador Hydro

2003 General Rate Application

Towns of Labrador City and Wabush Responses to Hydro Information Requests

Request

NLH-256 LC Please compute estimated rates (\$/ MWh) consistent with the suggested cost of service methodology in the evidence of Mr. Mark Drazen assuming an incremental load increase of 20 MW at an annual load factor of 80 % in Labrador West requiring additional transmission facilities from Churchill Falls costing approximately \$77 Million (with annual costs based on 40 year sinking fund depreciation)? Present the summary results in the same format as Table 4 Page 6 and include copy of analysis along with all assumptions.

Response

The calculations requested entail assumptions and data not provided in the question (e.g., changes in other costs past the 2004 test year, effect of the new transmission capacity on losses, and the division of sales between Labrador City/Wabush customers and IOCC. In any event, this calls for original work product that Hydro itself is in just as good a position to provide.