

Newfoundland & Labrador Hydro

2003 General Rate Application

Towns of Labrador City and Wabush Responses to Hydro Information Requests

Request

NLH-264 LC With reference to CFB – Goose Bay Credit on Page 7, given the premise that Labrador should have separate cost of service calculations, provide the rationale for the CFB Goose Bay Credit to be applied to Labrador West when CFB Goose Bay is located in Happy Valley/Goose Bay.

Response

If the recommendations are accepted to have (1) separate cost of service allocations for Labrador East and Labrador West and (2) the standby capacity allocated entirely to Labrador East, it would be consistent for the CFB Goose Bay credit to be applied only to Labrador East. This would not, however, change the conclusion that Labrador West cost of service is still substantially below the proposed rates.