

1 **Q. Regulatory Compound & Rate Increase**

2 References:

- 3 (i) NLH 2017 GRA, Evidence, chapters 1 & 5, pages 1.7 & 5.16, tables 1-1  
 4 & 5-2
- 5 (iii) NLH 2017 GRA, Evidence, chapter 5, page 5.1
- 6 (iv) NLH 2017 GRA, Evidence, chapter 5, page 5.14, table 5-1
- 7 (v) NLH 2017 GRA, Evidence, chapter 5, page 5.34

Table 1-1 Proposed Average Interim and Final Rate Changes by Customer Class (%)<sup>7</sup>

Customer Class	Interim 2018 TY Increase Relative to July 1, 2017 Rates	2019 TY Increase Relative to January 1, 2018 Interim Rates
Newfoundland Power – Wholesale	9.7	9.4
Newfoundland Power – Retail	6.6	6.4
Island Industrial	6.2	7.2
Labrador Interconnected	5.9	6.5
Labrador Industrial Transmission	15.0	28.5 <sup>8</sup>
Hydro Rural Government Diesel	9.0	12.7
Hydro Rural Other <sup>9</sup>	6.6	6.4

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- 9 (i)
- 10 (ii) « On the Labrador Interconnected System, Hydro serves approximately  
 11 11,200 Rural Customers and two Industrial Customers: the Iron Ore  
 12 Company of Canada (IOC) and the Wabush Mines facility.»

Table 5-1 Required Increase in Customer Billings to Recover Revenue Requirement<sup>16</sup>

Customer Class	2018 TY Increase Relative to July 1, 2017 Rates		2019 TY Increase Relative to July 1, 2017 Rates	
	\$ million	%	\$ million	%
Newfoundland Power	58.2	14.1	72.0	17.4
Island Industrial	3.8	9.6	4.8	11.9
Rural Labrador Interconnected	1.4	7.1	2.4	11.6
Labrador Industrial Transmission	0.9	19.7	2.1	44.9
Hydro Rural Government Diesel	0.2	10.4	0.5	22.0
Hydro Rural Other <sup>17</sup>	5.7	9.6	6.9	11.8
<b>Total</b>	<b>70.0</b>		<b>88.6</b>	

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- 14 (iii)
- 15 (iv) « Hydro has two mining facilities served on the Labrador Industrial rates,  
 16 IOC and Wabush Mines. IOC's Power on Order is forecast to be 245.0

