

1 Q. **Transmission Rate and Methodology**

2 References:

- 3 (i) NLH 2017 GRA, Evidence, chapter 5, page 5.35
- 4 (ii) NLH 2017 GRA, Evidence, chapter 5, page 5.35, footnote 51
- 5 (iii) NLH 2017 GRA, Evidence, chapter 5, page 5.36
- 6 (i) *« Labrador West transmission is nearing its capacity limitations. The*
- 7 *cost of providing new transmission to meet load growth on the*
- 8 *Labrador Transmission System is high and can materially impact*
- 9 *future customer rates. »*
- 10 (ii) *« 51 In OC2014-034, Hydro was directed to construct a new 230 kV*
- 11 *transmission line between Churchill Falls and Labrador West; the*
- 12 *budget for this line was approximately \$330 million. The project was*
- 13 *suspended in September 2014. »*
- 14 (iv) *« The capital cost of new transmission line facilities servicing*
- 15 *Labrador West from Churchill Falls is projected to be in the range of*
- 16 *\$5 to \$6 per kW. »*

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18 Does the \$5 to \$6 per kW mentioned above amounts to a kW-month or a kW-year

19 increase of the Labrador Industrial Transmission rate or does it relate to the capital

20 cost of the project? Please clarify the evidence.

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23 A. Please refer to Hydro's response to IOC-NLH-024.