

1 Q. Please provide the O&M budgets for 2019 to 2023 for Newfoundland Hydro's
2 Interconnected Distribution Systems, by Region.

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5 A. Hydro's interconnected distribution system services rural customers located in
6 approximately 180 communities on the South Coast, Northeast Coast and along the
7 Great Northern Peninsula. Hydro's distribution system costs are grouped in the
8 Transmission, Distribution and NL System Operator Division. Hydro records direct
9 distribution costs in their own business units within the division. However, a
10 component of distribution costs would also be included in the Management,
11 Planners, Support & Admin department in the Transmission, Distribution and NL
12 System Operator Division. Please refer to Table 1 for the Transmission, Distribution
13 and NL System Operator Division operating costs including the costs related to the
14 distribution systems:¹

¹ Excludes indirect costs such as finance, human resources and engineering costs associated with distribution.

Table 1

Transmission, Distribution & NLSO Operating Costs (\$000's)

Transmission, Distribution & NLSO	2019 Budget
Interconnected Distribution System	6,275
Isolated Distribution System	995
Distribution Systems	<u>7,270</u>
Management, Planners, Support & Admin	16,086
Transmission Systems	2,771
Terminal Stations	6,967
TRO Generation	9,254
Generation and Rural Planning	999
NL System Operator (NLSO)	3,782
Total TRO Operations	<u><u>47,129</u></u>

Please refer to Table 2 for the direct charges to the interconnected distribution system by region for the 2019 Budget:

Table 2

Direct Charges to the Interconnected Distribution System by Region (\$000's)

Interconnected Distribution System	2019 Budget
Central Island Distribution	2,828
Northern Island Distribution	2,019
Labrador Distribution	1,428
Total Interconnected Operating Costs	<u><u>6,275</u></u>

Hydro's 2020-2023 O&M forecast was developed on a total Regulated Hydro basis and was updated for inflation and forecast adjustments. Please refer to Nalcor's response to PUB-Nalcor-130, Attachment 1 for the supporting schedule.