

1 Q. **Reference: Network Addition Policy, pages 21-22 (pdf)**

2 Citation:

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4 Upon receipt of an Applicant's Demand request of 1500 kW or greater, Hydro will
5 conduct a preliminary assessment to determine if compliance with the request
6 would require acceleration of the Transmission Expansion Plan.

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8 If acceleration of the Transmission Expansion Plan is required, Hydro will
9 determine the Expansion Advancement Cost. This cost reflects the difference
10 between the cost of acceleration of the Transmission Expansion Plan and the
11 value to existing Customers from plan acceleration. The value to existing
12 Customers will be determined based the forecast reduction in Expected
13 Unserved Energy resulting from the capital advancement. However, the credit
14 provided based on the Expected Unserved Energy value to Customers will not
15 exceed 50% of the cost of acceleration of the Transmission Expansion Plan. The
16 procedures used to determine the Expansion Advancement Cost are provided in
17 Appendix B to this Policy.

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19 The Upstream Capacity Charge will then be computed as the Expansion
20 Advancement Cost less the Basic Capacity Investment Credit and, when
21 applicable, less the Demand Revenue Credit.

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23 a) Please explain what baseline will be used for the timing of the Transmission Expansion
24 Plan, in order to determine whether or not a project results in its acceleration.

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26 b) Please provide a numerical example of the computation of the Upstream Capacity
27 Charge for a project of more than 1500 kW which results in acceleration of the
28 Transmission Expansion Plan.

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31 A. a) Please refer to Newfoundland and Labrador Hydro's response to LAB-NLH-101 Part a).

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33 b) Please refer to Newfoundland and Labrador Hydro's response to LAB-NLH-101 Part c).