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1 Q. **Reference: May 3, 2019 report by Brattle Group, Inc entitled *Embedded and Marginal***  
2 ***Cost of Service Review***

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4 On Table 1, page 6 (Classification) the Brattle Group proposes that LIS and IIS diesel and gas  
5 turbine units be classified as demand with variable fuel costs classified as energy. Does  
6 Hydro agree or disagree with this proposed modification? Please provide justification for  
7 your response and provide an indication of the impact of this proposal on average rates for  
8 Island customer classes.

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11 A. Please refer to Newfoundland and Labrador Hydro's ("Hydro") response to PUB-NLH-039.  
12 Hydro's response to NP-NLH-001 provides the estimated impact of accepting The Brattle  
13 Group, Inc.'s recommendation.