

1 **Q: Reference: "Embedded and Marginal Cost of Service Review," The Brattle**  
2 **Group, May 3, 2019, Exhibit II at p. 14/3-6**

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4 **Regarding a single integrated system for cost of service purposes, is The**  
5 **Brattle Group recommending that all transmission assets, with the exception**  
6 **of Muskrat Falls, be treated as common and then allocated among customer**  
7 **classes based on single coincident peak for the combined Island and Labrador**  
8 **System? If not, please explain The Brattle Group's recommendation on the**  
9 **manner in which transmission costs are proposed to be allocated by system.**

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11 **A.** No. In this proceeding, we are not recommending that all transmission assets, with  
12 the exception of Muskrat Falls, be treated as common and then allocated among  
13 customer classes based on single coincident peak for the combined Island and  
14 Labrador system. In this proceeding, we are not recommending a change in the  
15 manner in which transmission costs are proposed to be allocated by system. We are  
16 suggesting that there may be certain transmission costs such as overhead,  
17 administrative and general, *etc.*, which, in a future, integrated COS might be treated  
18 differently than in the current COS.