

1 Q. Reference: Newfoundland and Labrador Hydro 2018 Cost of Service Methodology Review
2 Report, November 15, 2018, Page 7, Lines 1-11.
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4 *“The NLSO transmission tariff defines the terms, conditions and rates under which a*
5 *Transmission Customer is provided transmission service over the Newfoundland and*
6 *Labrador Transmission System.*

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8 *For Hydro’s transmission assets, the NLSO applied the existing approach of determining if*
9 *any of the high voltage transmission assets were either functionalized as a generator lead*
10 *or specifically assigned. The addition of TL-269 from Granite Canal to Bottom Brook to*
11 *support the import and export of energy over the Maritime Link requires a change to the*
12 *functionalization of Hydro’s TL-234 and TL-263 from generator leads to common*
13 *high-voltage transmission.”*

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15 Is it Hydro’s position that FERC’s reciprocity requirement prevents any portion of the cost
16 of a transmission line included in an open access transmission tariff from being classified as
17 energy?
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20 A. No, the Federal Energy Regulatory Commission’s reciprocity requirement does not deal
21 with functionalization of classification of transmission assets. Please refer to Newfoundland
22 and Labrador Hydro’s response to NP-NLH-006.