

1 Q. Please provide citation to the economic or cost of service literature to support the concept of
2 “beneficiary pays approach”.

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5 A. Please refer to sections 2 and 4 of Appendix A¹ to Newfoundland and Labrador Hydro’s
6 (“Hydro”) “Network Additions Policy Review,”² which reference a number of U.S. FERC³ rulings.
7 Also, please refer to page 3 of Appendix B to Hydro’s “Network Additions Policy Review,” where
8 the Ontario Energy Board identifies beneficiary pays as one of its guiding principles to determine
9 the allocation of costs associated with distribution and transmission connection investments.

¹ “Transmission Cost Allocation Methods to Account for Network Additions,” Christensen Associates Energy Consulting, July 18, 2018.

² “Network Additions Policy Review,” October 1, 2018.

³ Federal Energy Regulatory Commission (“FERC”).