

1 Q. **Reference: Application, Page 9, Table 1**

2 Please provide tables for each of the 5 alternatives showing the actual dollar amounts of the  
3 overall increases in total revenue requirement to be potentially recovered from Newfoundland  
4 Power and Labrador Interconnected customers.

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7 A. As Newfoundland and Labrador Hydro (“Hydro”) does not have a separate cost of service study  
8 completed for the communities included in the Labrador south interconnection project, Hydro  
9 cannot determine the change in revenue requirement relative to the approved 2019 Test Year  
10 Cost of Service Study. To respond to the question, Hydro evaluated the increase in annual  
11 revenue requirement of the alternatives relative to the estimated revenue requirement of  
12 continuing to use mobile generation as provided for in Alternative 1.

13 NP-NLH-010, Attachment 1 provides the forecast dollar amounts of the overall increases in total  
14 revenue requirement to be potentially recovered from Newfoundland Power Inc. and Labrador  
15 Interconnected customers for each of the four alternatives evaluated.<sup>1</sup>

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<sup>1</sup> “Long-Term Supply for Southern Labrador – Phase 1,” Newfoundland and Labrador Hydro, July 16, 2021, att. 1, table 12, at p. 37.

Revenue Requirement for Alternatives (\$ million)

|   | 2025 | 2030 | 2035 | 2040 | 2045 | 2050 | 2055 |
|---|------|------|------|------|------|------|------|
| Alternative 1 - Continued Operation of Mobile Gensets                     | 8.1  | 10.0 | 12.8 | 14.7 | 16.1 | 18.9 | 19.6 |
| Alternative 2 - New Diesel Generating Station - Charlottetown             | 9.0  | 10.8 | 13.1 | 15.4 | 16.6 | 18.9 | 19.8 |
| Alternative 3A - Southern Labrador Interconnection - Phased Approach      | 10.0 | 10.9 | 11.9 | 12.2 | 12.8 | 13.2 | 13.8 |
| Alternative 3B - Southern Labrador Interconnection - Full Interconnection | 11.4 | 11.3 | 11.9 | 11.6 | 12.2 | 12.2 | 12.1 |

Recovery of Incremental Revenue Requirement (Compared to Alternative 1)

|   | 2025 | 2030 | 2035   | 2040   | 2045   | 2050   | 2055   |
|---|------|------|--------|--------|--------|--------|--------|
| Alternative 2 - New Diesel Generating Station Charlottetown               |      |      |        |        |        |        |        |
| Newfoundland Power <sup>1</sup>   | 0.91 | 0.75 | 0.32   | 0.70   | 0.52   | (0.02) | 0.21   |
| Labrador Interconnected <sup>1</sup>                                      | 0.04 | 0.03 | 0.01   | 0.03   | 0.02   | (0.00) | 0.01   |
| Alternative 3A - Southern Labrador Interconnection - Phased Approach      |      |      |        |        |        |        |        |
| Newfoundland Power <sup>1</sup>   | 1.83 | 0.86 | (0.86) | (2.40) | (3.17) | (5.48) | (5.57) |
| Labrador Interconnected <sup>1</sup>                                      | 0.07 | 0.04 | (0.04) | (0.10) | (0.13) | (0.22) | (0.23) |
| Alternative 3B - Southern Labrador Interconnection - Full Interconnection |      |      |        |        |        |        |        |
| Newfoundland Power <sup>1</sup>   | 3.17 | 1.26 | (0.83) | (2.99) | (3.75) | (6.48) | (7.25) |
| Labrador Interconnected <sup>1</sup>                                      | 0.13 | 0.05 | (0.03) | (0.12) | (0.15) | (0.26) | (0.29) |

<sup>1</sup> Allocated to Newfoundland Power and Labrador Interconnected customers in the same proportion which the rural deficit was allocated in the 2019 Test Year Cost of Service Study which is 96.1% and 3.9%, respectively.