

1 Q. **Reference: Response to Request for Information NP-NLH-080, Footnote 2.**

2 Assumes the average revenue to cost ratio for customers on the Labrador
3 Isolated System in the 2019 Test Year of 24%, which represents their portion
4 recovered through rates.

5 a) Please provide an update to the chart and table included in the response to Request for
6 Information NP-NLH-080 that shows the annual revenue requirement and rate impact
7 that will result from Hydro's revised Application.

8 b) How much additional energy sales and revenue would be required from customers
9 served by the Labrador Isolated System in order to maintain a revenue to cost ratio of
10 24% following the completion of expenditures outlined in the revised Application?

11 c) Is it practical for Hydro to assume that a revenue to cost ratio of 24% can be maintained
12 when estimating the rate impact of the revised Application on Newfoundland Power's
13 customers? If so, why?

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16 A. a) Chart 2 and Table 4 in Newfoundland and Labrador Hydro's ("Hydro") response to
17 NP-NLH-080 of this proceeding have been updated to show the annual revenue requirement
18 and rate impact that will directly result from Hydro's revised application.¹

¹ "Long-Term Supply for Southern Labrador," Newfoundland and Labrador Hydro, rev. October 5, 2023 (originally filed July 16, 2021).

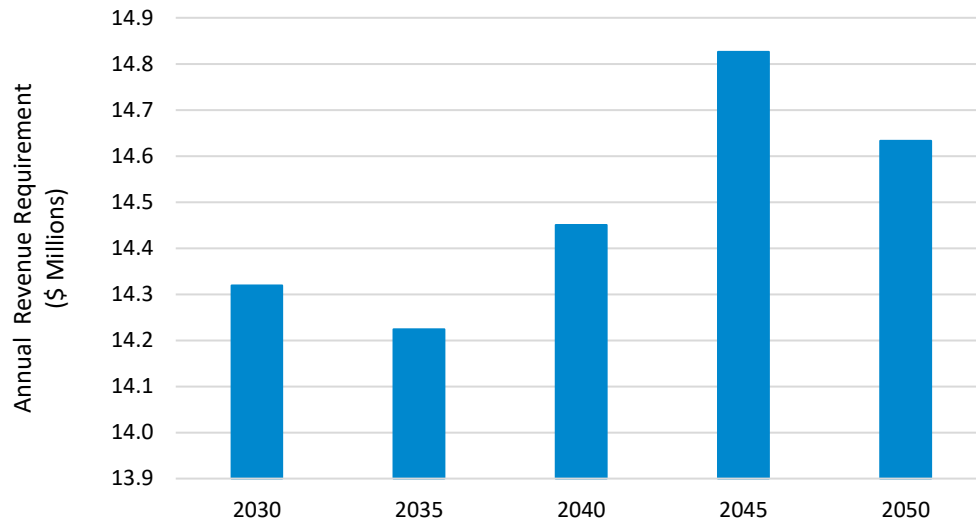


Chart 2: Annual Revenue Requirement for Interconnection²

Table 4: Annual Rate Impact - Interconnection (%)³

| Impact on Revenue Requirement | 2030 | 2035 | 2040 | 2045 | 2050 |
|-------------------------------|------|------|------|------|------|
| Newfoundland Power Inc. | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 |
| End Consumer ⁴ | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Labrador Interconnected | 2.1 | 2.0 | 2.1 | 2.1 | 2.1 |

- 1 **b)** Please refer to Hydro’s response to NP-NLH-081 of this proceeding.
- 2 **c)** Please refer to Hydro’s response to NP-NLH-081 of this proceeding.

² Revenue requirements provided in Attachment 1 of Hydro’s response to NP-NLH-084 of this proceeding differ from those herein due to the inclusion of all costs (Operating and Capital) associated with each scenario.

³ Assumes the average revenue-to-cost ratio for customers on the Labrador Isolated System in the 2019 Test Year of 24%, which represents their portion recovered through rates.

⁴ Assumes a flow-through rate of 71%.