

1 Q. Further to the response to Request for Information SR-PUB-NLH-013, if charging
2 L'Anse au Loup System customers a lower "effective rate" than the customers of
3 Newfoundland Power is not inconsistent with Section 16 of Hydro's Rules and
4 Regulations, "Policies for Automatic Rate Changes", please explain why the
5 distribution of the Newfoundland Power RSP Surplus solely to Newfoundland Power
6 customers without a flow-through effect to customers on the L'Anse au Loup
7 System is inconsistent?

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10 A. The distribution of the Newfoundland Power RSP Surplus solely to Newfoundland
11 Power customers without a flow-through effect to customers on the L'Anse au Loup
12 System would not be consistent with Section 16 of Hydro's Rules and Regulations
13 which stipulates the effect on Rural Customers' rates upon a change in rates for NP
14 customers. Please also refer to Hydro's response to SR-NP-NLH-046. Charging
15 L'Anse au Loup System customers a lower effective rate by virtue of the Northern
16 Strategic Plan results in no further rate implications as only changes to NP's rates
17 are addressed in Section 16.