

1 Q. Further to the responses to SR-PUB-NLH-008 and SR-PUB-NLH-012, explain in detail
2 how the refund to each Rural Customer will be calculated.

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5 A. The responses to SR-PUB-NLH-008 and SR-PUB-NLH-012 are based on Hydro's
6 recommended Proactive Approach as described in SR-NP-NLH-053. The specific
7 proposals stated in Hydro's Evidence on the RSP Surplus are:

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9 • *The RSP Surplus be refunded to Newfoundland Power customers on*
10 *their April 2014 electricity bills and be based on their total energy*
11 *consumption on bills issued during the period January 2013 to*
12 *December 2013.*

13 • *Hydro's Rural customers, whose rates are based on Newfoundland*
14 *Power rates, will also receive a similar refund on their April 2014*
15 *electricity bills and which is based on their total energy consumption*
16 *on bills issued during the period January 2013 to December 2013.*

17 • *The refund to Rural customers will be funded from a portion of the*
18 *NP RSP surplus that is set aside for that purpose.*

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20 The following formula details how the refund to each Hydro Rural Customer, as well
21 as each Newfoundland Power customer, is proposed to calculated:

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23 Calculation of ¢/kWh refund:

24 $A / (B + C) = D$ where:

25

26 A = March 31, 2014 RSP Surplus Balance

27 B = Newfoundland Power customers' total 2013 billed energy (kWh)

1 C = Hydro Rural Customers'¹ total 2013 billed energy (kWh)

2 D = Refund to Newfoundland Power and Rural Customers (¢/kWh)

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4 Refund to Newfoundland Power customers:

5 $E_{1-\sim 257,000} = F_{1-\sim 257,000} \times D$ where:

6

7 E = Individual Newfoundland Power customer refund

8 F = Individual Newfoundland Power customer 2013 billed energy (kWh)

9 D = Refund to Newfoundland Power and Rural Customers (¢/kWh)

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11 Refund to Rural customers:

12 $G_{1-\sim 27,000} = H_{1-\sim 27,000} \times D$ where:

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14 G = Individual Rural Customer refund

15 H = Individual Rural Customer 2013 billed energy (kWh)

16 D = Refund to Newfoundland Power and Rural Customers (¢/kWh)

¹ Refers to Hydro Rural Customers whose rates are based on Newfoundland Power's customers' rates.