

1 Q. Reference: The Application, Schedule 3, page 1 of 2.

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3 Please provide the forecast percentage increase in customer rates for the Island
4 Industrial customers effective September 1, 2016.

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7 A. Please see Attachment 1. The forecast percentage increase in customer rates for
8 the Island Industrial customers effective September 1, 2016 is 13.2%. This assumes
9 the Board approves Hydro's recommended alternate approach to calculating
10 specifically assigned charges as detailed in Undertaking 45.1 to Hydro's GRA. The
11 estimated September 1, 2016 increase assuming specifically assigned charges as
12 initially proposed in the Amended GRA would be 15.0%.

**Newfoundland and Labrador Hydro
Island Industrial Rate Phase-in**

Total IIC - including Specifically Assigned Charges as Filed

	2015 Billing		July 1		Jan 1 2016		Percent	Sept 1 2016		Percent
	Units	Unit	2015	\$	Proposed	\$	Increase	Proposed	\$	Increase vs
			Existing				vs 2015			Jan 1 2016
							Existing			Proposed
Demand (kW/s)	1,064,800	\$/kW/mo	7.35	7,826,280	8.38	8,923,024		8.38	8,923,024	
Energy (MWh/s)	621,400	mills/kWh	40.44	25,129,416	40.69	25,284,766		40.69	25,284,766	
Spec. Assigned		\$	684,312	684,312	684,312	684,312		1,690,896	1,690,896	
				<u>33,640,008</u>		<u>34,892,102</u>	3.7%		<u>35,898,686</u>	2.9%
RSP: Teck Rate	20,400	mills/kWh	(11.41)	(232,764)	(11.41)	(232,764)			-	
RSP: Fuel Rider	621,400	mills/kWh				-			-	
RSP Surplus Adj - Demand	1,064,800	\$/kW	(0.49)	(521,752)	(1.52)	(1,618,496)			-	
RSP Surplus Adj.- Energy	621,400	mills/kWh	(2.69)	(1,671,566)	(2.94)	(1,826,916)			-	
Total RSP				<u>(2,426,082)</u>		<u>(3,678,176)</u>		-	<u>-</u>	
Firm plus RSP				<u>31,213,926</u>		<u>31,213,926</u>	0.0%		<u>35,898,686</u>	15.0%

**Newfoundland and Labrador Hydro
Island Industrial Rate Phase-in**

Total IIC - including Specifically Assigned Charges per Alternate Method

	2015 Billing		July 1		Jan 1 2016		Percent	Sept 1 2016		Percent
	Units	Unit	2015	\$	Proposed	\$	Increase	Proposed	\$	Increase vs
			Existing				vs 2015			Jan 1 2016
							Existing			Proposed
Demand (kW/s)	1,064,800	\$/kW/mo	7.35	7,826,280	8.38	8,923,024		8.38	8,923,024	
Energy (MWh/s)	621,400	mills/kWh	40.44	25,129,416	40.69	25,284,766		40.69	25,284,766	
Spec. Assigned		\$	684,312	684,312	684,312	684,312		1,136,686	1,136,686	
				<u>33,640,008</u>		<u>34,892,102</u>	3.7%		<u>35,344,476</u>	1.3%
RSP: Teck Rate	20,400	mills/kWh	(11.41)	(232,764)	(11.41)	(232,764)			-	
RSP: Fuel Rider	621,400	mills/kWh				-			-	
RSP Surplus Adj - Demand	1,064,800	\$/kW	(0.49)	(521,752)	(1.52)	(1,618,496)			-	
RSP Surplus Adj.- Energy	621,400	mills/kWh	(2.69)	(1,671,566)	(2.94)	(1,826,916)			-	
Total RSP				<u>(2,426,082)</u>		<u>(3,678,176)</u>		-	<u>-</u>	
Firm plus RSP				<u>31,213,926</u>		<u>31,213,926</u>	0.0%		<u>35,344,476</u>	13.2%