

1 Q. (Re: CA-NLH-290) Hydro references in its response “*the approved Cost of Service*  
2 *methodology*”. Please provide a list of all components of the cost of service study  
3 for the 2015 Test Year where Hydro has strayed from the “approved cost of service  
4 methodology” and provide an explanation of why it has done so in each instance.

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7 A. Hydro has proposed changes to the existing Cost of Service methodology with  
8 regard to (i) the allocation of the rural deficit; and (ii) the inclusion of the forecast  
9 test year as part of the five-year period in calculating the Holyrood capacity factor.

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11 Hydro has also presented proposals for approval of a Cost of Service approach for  
12 wind energy purchases and costs incurred as a result of capacity assistance  
13 agreements. At the 2007 GRA, there were no costs in the 2007 Test Year for wind  
14 energy purchases or capacity assistance agreements.

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16 Section 4.3 of the Evidence to Hydro’s Amended Application provides the evidence  
17 to support Hydro’s Cost of Service proposals.