

1 **Q. (Amended 2013 GRA) In Mr. Brockman's opinion, how much of transmission**  
2 **network costs including lines and substations should be assigned to energy?**

3  
4 A. At the 1992 generic cost of service hearing (the "1992 COS Hearing"), Mr. Brockman  
5 recommended that transmission lines be split as 50% demand related and 50% energy  
6 related, and that substation and terminal equipment be 100% demand related.<sup>1</sup>

7  
8 Mr. Brockman still considers his recommendation in the 1992 COS Hearing to be  
9 reasonable; although, his recommended 50/50 split between demand and energy for  
10 transmission lines was arbitrary due to the difficulty in finding a strictly causal basis for  
11 the classification.

12  
13 In its 1993 report to Government on the 1992 COS Hearing, the Board recommended that  
14 transmission lines and substations on the Island Interconnected System used solely or  
15 dominantly for the purpose of connecting remotely-located generation to the main  
16 transmission system be classified in the same manner as the generation stations they  
17 serve. The Board recommended that all other transmission be classified 100% to  
18 demand.

19  
20 In Mr. Brockman's view, the Board's recommendation remains reasonable.

---

<sup>1</sup> Testimony of Larry Brockman, Hydro's 1992 Cost of Service Investigation, August 1992, Page 25, lines 18-25.