

1 Q. Please provide the estimated impact on base rates, by class, if all CDM costs to
2 date, as well as forecast CDM costs for 2013, were included in the revenue
3 requirement and COS study.

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6 A. Table 1 provides the estimated impact on revenue requirement if the approximate
7 \$6.9 million in deferred CDM costs up to the end of 2015 was: (i) amortized over
8 seven years; (ii) included in 2015 Test Year revenue requirement; and (iii) allocated
9 by customer class based on 2015 forecast energy sales.

Table 1	
Rate Impact of CDM Recovery in Revenue Requirement	
	2015 Rate Impact
NP Wholesale ¹	0.18%
Industrial Customers	0.13%
Labrador interconnected	0.08%

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12 Please see IC-NLH-117 Attachment 1 (Revision 1). []

¹ The retail rate impact is approximately 0.1%.

Newfoundland and Labrador Hydro: CDM Cost Recovery									
Line No	A 2009 (\$)	B 2010 (\$)	C 2011 (\$)	D 2012 (\$)	E 2013F (\$)	F 2014F (\$)	G 2015F (\$)	H Total (\$)	I 2009-2015 Recoverable Amount (Year 1)
1	Island Interconnected Plan Deferred Costs	159,313	412,024	466,276	551,556	463,013	1,633,377	695,445	4,381,004
2	Other System Plan Deferred Costs			7,650	832,992	986,262	742,046	0	2,568,950
		159,313	412,024	473,926	1,384,548	1,449,275	2,375,423	695,445	6,949,954
									992,851
	Allocation of Island Interconnected Recoverable Amount	Total		Newfoundland Power	Island Industrial Customers	Rural	Labrador Interconnected		
3	Island Interconnected Recoverable Amount	625,858							
4	Customer Allocation Ratio			84.98%	8.91%	6.10%	0%		
5	Allocated Amount			531,873	55,789	38,196			
6	Other Systems Recoverable Amount	366,993							
	Add Rural Portion to Other Systems								
7	Recoverable Amount	38,196				(38,196)			
	Sum of Other Systems Recoverable Amount and Rural Portion	405,189							
8									
9	Customer Allocation Ratio ^{1,2}			96.20%	0.00%	0.00%	3.80%		
10	Allocated Amount			389,792	0	0	15,397		
11	Total Recoverable Amount (RSP/Nalcor)			921,665	55,789	0	15,397		
12	% of Revenue Requirement			0.18%	0.13%		0.08%		
13									
		Island Interconnected Recoverable Allocation							
			Percent of Total						
14	Calculation of Customer Allocation Ratios	kWh³							
15	2015 Forecast Utility Sales	5,924,100,000	84.98%						
16	2015 Forecast Industrial Customers Sales	621,400,000	8.91%						
17	2015 Forecast Rural Bulk Energy	425,409,000	6.10%						
18	Total	6,970,909,000	100.00%						

¹ The Other Systems Plan Balance amount is reallocated to Newfoundland Power and Labrador Interconnected in the same proportion as the 2015 Test Year Rural deficit.

² The deferred amount allocated to Rural is reallocated to Newfoundland Power and Labrador Interconnected in the same proportion as the 2015 Test Year Rural deficit.

³ Twelve months to date sales as at December 31, 2015.