

1 Q. Re: Cost of Service Study, Exhibit 9, s. 1.6, page 2

2 The document states: "Customer classes in the COS study generally
3 correspond with the rate schedules in each of Hydro's systems."
4 (underlining added)

5 Please identify any customer classes in the COS study which do not precisely
6 correspond to the rate schedules in each of NLH's systems, and explain for reasons
7 for each divergence.

8 In more general terms, please explain the reasons which might lead to a divergence
9 between customer classes in a COS study and customer classes in a utility's rate
10 schedules.

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13 A. A divergence between customer classes in Hydro's COS and in its rate classes is
14 primarily due to different rates being paid for the same type of service. For
15 instance, domestic customers in Hydro's Isolated Systems may pay the standard
16 rates (Rate 1.2), a special optional rate (Rate 1.2S), or the Government rate (Rate
17 1.2G). These rate classes are combined into one class in the COS, as they have the
18 same load characteristics.

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20 The load characteristics are shown in the COS, referred to as "Class per Exhibit 13,
21 Schedule 1.3.1" in the table below. The rate classes can be found in the rates
22 manual filed in response to IN-NLH-115. The affected customer classes are shown
23 in the table below.

Class per Exhibit 13, Schedule 1.3.1	Rate Classes
1.1 Domestic	Rate 1.1S
1.2 Domestic Diesel	Rate 1.2D, Rate 1.2DS, Rate 1.2G
2.1 General Service 0-10 kW	Fish Plants eligible for Island Interconnected Rate 2.1, Rate 2.1D, Rate 2.1G
2.2 GS 10-100 kW	Fish Plants eligible for Island Interconnected Rate 2.1, Rate 2.2D, Rate 2.2G
2.3 GS 110-1,000 kVa	Fish Plants eligible for Island Interconnected Rate 2.3, Rate 2.2D, Rate 2.2G
2.4 General Service Over 1,000 kVa	Fish Plants eligible for Island Interconnected Rate 2.4, Rate 2.2D, Rate 2.2G
4.1 Street and Area Lighting	Rate 4.1D, Rate 4.1G