

1    Q.    **Re: IN-NLH-004, Att. 3**

2            Please indicate the source of the 1.5% discount, and to what categories of  
3            customers it applies, and indicate the detailed calculations used to determine the  
4            Lab Coast Electricity Rebate.

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7    A.    The 1.5% discount is the standard discount applied to Hydro's Rural Customer's bills  
8            as incentive for payment within ten days of the bill issue date. The Labrador Coastal  
9            Electricity Rebate is intended to reduce Labrador Coastal customer's basic customer  
10           charge and first block of electricity consumption to equal that of Labrador  
11           Interconnected customers. Please see IN-NLH-188 Attachment 1, for a detailed  
12           sample calculation.

Newfoundland and Labrador Hydro  
Sample Labrador Coastal Electricity Rebate Calculation

Line Calculation of \$87.44CR found on Page 1 of 12, of IN-NLH-004

No.

Charges at assigned rates for Basic Customer Charge and First Block consumption:

1	Basic Customer Charge:	\$	15.68
2	First Block Energy charge 1000kWh @ 11.171 Cents:	\$	111.71
3	Total	\$	127.39

Charges at Labrador Interconnected rates for Basic Customer Charge and First Block Consumption:

4	Basic Customer Charge	\$	7.15
5	First Block Energy charge 1000kWh @ 3.28 Cents:	\$	32.80
6	Total	\$	39.95

Calculation of the Labrador Coastal Electricity Rebate:

7	Labrador Coastal Electricity Rebate	\$	87.44	*Line 3 - Line 6
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