

1 Q. Page 3, lines 59-60 states: "Specifically: a) total energy costs are high, much higher than for  
2 residents elsewhere in the province." Does Mr. Henderson's statement take into  
3 consideration the Northern Strategic Plan subsidy provided for electrical usage to Domestic  
4 Customers on the Labrador Isolated Systems? If yes, please provide support for the quoted  
5 statement.

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8 A. As stated in the Expert Report submitted by the Nunatsiavut Government, any  
9 consideration of electricity rate increases needs to weigh the social and economic  
10 consequences of comprehensive and inclusive energy costs encountered by Nunatsiavut  
11 residents and businesses. Even after the net impact of the Northern Strategic Plan subsidy  
12 is factored into residential/business electricity costs; the impact of: a) northern climate  
13 conditions, b) heating costs, and, c) higher energy costs raising the costs of essentials like  
14 food is onerous. Thus the Expert Report states that the total energy costs (i.e. electricity,  
15 heat, and energy costs impacts on essentials) are: "... high, much higher than for residents  
16 elsewhere in the province". That is a fact, even after consideration of the Northern  
17 Strategic Plan subsidy.