1   Q.   **Please discuss advantages and disadvantages of the existing Rural Deficit allocation**
2   **methodology as compared to the allocation of the Rural Deficit based on i) annual**
3   **revenue requirement (before Rural Deficit allocation) and ii) the number of**
4   **customers in each system (i.e., as illustrated in Table 4.3 on page 4.10 of the**
5   **Evidence to the Amended Application).**
6
7
8   A.   Under the existing allocation, Labrador customers would pay $653.15 compared to NP
9        $216.64. An allocation based on revenue requirement would result in Labrador customers
10   paying $207.60 and NP customers paying $236.46. On a per customer basis both groups
11   of customers would pay $235.23 per customer. Either a revenue or per customer
12   allocation would appear to be more equitable than the existing allocation.