

1 Q. Further to response to Request for Information NP-NLH-118:  
2 Recommendation 15 in the Board's decision on the 1992 Cost of Service  
3 Methodology hearing stated ***"That transmission lines and substations in the Island***  
4 ***Interconnected System used solely or dominantly for the purpose of connecting***  
5 ***remotely-located generation to the main transmission system be classified in the***  
6 ***same manner as the generating stations they serve."***

7 Does Lummis Consultants agree that applying the above principle to cost allocation  
8 of the DC transmission line from Muskrat Falls would result in a material proportion  
9 of the transmission costs being considered energy-related? If not, why not?  
10  
11

12 A. Whether this principle is applicable with respect to the transmission line from  
13 Muskrat Falls will be determined in a future methodology proceeding. If this  
14 principle is applied to the transmission line from Muskrat Falls, a proportion of the  
15 transmission costs could be considered energy-related. Please also see Hydro's  
16 response to NP-NLH-177.