

1    **Q.     Once Labrador and the Island of Newfoundland are interconnected, would it be any**  
2       **more or less fair to serve Labrador interconnected customers and Newfoundland**  
3       **Power customers on a relatively uniform rate than it is to serve Labrador isolated**  
4       **and Island isolated customers at the same rate as Newfoundland Power, as is**  
5       **currently done? Please explain.**

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8    **A.     See Response to NP-PUB-019. Also, it is not clear that Labrador interconnected**  
9       **customers and Newfoundland Power customers have the same distribution costs.**  
10       **Generally, it would be appropriate to serve all customers at rates that reflect the costs of**  
11       **serving those customers, except in situations where the Board determines that social or**  
12       **other equity considerations compel deviations from cost-reflective pricing. Serving**  
13       **Labrador isolated and Island isolated customers at the same rate as Newfoundland Power**  
14       **is such a deviation.**