

1 Q. **2013 General Rate Application, Rural Rates**

2 What percentage of the proposed 2013 Labrador Interconnected domestic  
3 customer rate is due to the allocation of the rural deficit?  
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6 A. Schedule 1.2, page 6 of 6 of Hydro's 2015 Cost of Service Study, filed as Exhibit 13  
7 to Hydro's Amended Application, shows that the rural deficit comprises  
8 approximately 12 percent of the total revenue requirement, after deficit allocation  
9 and revenue credit allocation, for Labrador Interconnected domestic customers. It  
10 can be assumed that approximately 12 percent of the customer rates are due to the  
11 allocation of the rural deficit under the proposed methodology. See Section 4.3.1  
12 for details on the proposed change in the Rural Deficit allocation methodology.