

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

2 Page 2.43, Table 2.18 - Identify the delivery point for the Hydro recall, and explain
3 how it relates to system losses and the delivery point for the load forecast in the
4 same table.

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7 **A.** The delivery point for Hydro recall is the 230 kV bus at Churchill Falls. The delivery
8 point for the Hydro recall as provided in Table 2.18 on page 2.43 is considered the
9 *effective* delivery point and is identified in the power purchase agreement between
10 CF(L)Co and Hydro. The *effective* delivery point as defined in this agreement is *the*
11 *point on the transmission lines from CF(L)Co's hydro-electric plant in Churchill Falls*
12 *towards the Province of Quebec which is at the height of land, about opposite*
13 *present Mile 148.8 on the Quebec North Shore and Labrador Railway, which is the*
14 *presumed watershed between the St. Lawrence River and the Churchill River, or such*
15 *other point on such transmission lines as may be determined by CF(L)Co.* The
16 relationship between recall at the *effective* delivery point and recall at the actual
17 230 kV delivery point at Churchill Falls is specified in the power purchase agreement
18 between CF(L)Co and Hydro.

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20 The load forecast as presented in Table 2.18 on page 2.43 are Hydro's demand and
21 energy requirements including losses associated with the 230 kV and 138 kV
22 transmission systems in Labrador and reflect Hydro's forecast of requirements at
23 the Churchill Falls delivery point. In its billing models, Hydro adjusts the energy
24 measured at the Churchill Falls delivery point to reflect the *effective* delivery point.

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26 The annual surplus MW and GWh as presented in Table 2.18 on page 2.43 is the
27 difference between Hydro's recall measured at the *effective* delivery point and the

- 1 load forecast and results in a forecast surplus power and energy at the effective
- 2 delivery point.