

1    Q.    **2013 General Rate Application, Cost of Service**

2            Exhibit 9, Section 1.9 - It is stated that unit costs which are shown in Schedule 1.3  
3            are not rates per se, even though they serve a key role in the design of Hydro's  
4            proposed rates. Provide a detailed description of the process used to go from the  
5            unit costs of Schedule 1.3 to the proposed rates, including all workpapers and  
6            calculations in Excel format, with formulas and links intact.

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8  
9    A.    Not all proposed rates flow from the unit costs of Schedule 1.3. The proposed rates  
10          are designed as indicated in the following table.

Customer Class	Source
<b>Island Interconnected and L'Anse au Loup</b> Newfoundland Power Firm Rates Newfoundland Power Firming up Charge Industrial Customer Demand and Energy Rates Industrial Customer Specifically Assigned Charges Rural Customers	COS Schedule 1.4 COS Schedule 1.6 COS Schedule 1.3  COS Schedule 3.3A  Rate design completed by NP after NP base rates approved
<b>Isolated Systems</b> Rural Customers - Non-Government  Rural Customers - Government	Rate design completed after NP base rates approved and NP determines rate change for customer classes COS Schedule 1.3
<b>Labrador Interconnected</b> Rural Rate Classes	Designed using attached spreadsheet

12            The Excel file showing the relevant calculations in the Cost of Service has been filed  
13            in response to NP-NLH-100. For the calculations for Labrador Interconnected rate  
14            classes, please see the Excel file provided as PUB-NLH-117 Attachment 1.