Q. (RSP Evidence, page 1, lines 22-23) What is the amount of the shortfall being projected by Hydro with regard to the IC rate phase-in? Please provide an accounting of the $49 million transfer to the ICs from the RSP balance by filing a table showing the amount being used to pay off the IC balance in the RSP and the amount used to subsidize IC rates in the 3-year phase-in period.

Show for each year from September 1, 2013 through August 31, 2016 Hydro's projected revenues from the phase-in rates (in total dollars and on an average $/kWh basis) for each Industrial Customer compared to the base IC rates proposed by Hydro in this Application.

A. Attachment 1 provides an accounting of the $49 million IC RSP Surplus for each Industrial Customer for each year of the phase-in period using 2013 Test Year billing determinants, along with the projected balance. The actual amount of the drawdown will differ and will not be known until after August 31, 2015 as it will be the end result of a number of variables over the phase-in period, as outlined in the response to PUB-NLH-7. Please refer to the response to IC-NLH-1 for the forecast drawdown based on the 2013 to 2015 load forecasts.

Newfoundland and Labrador Hydro
Accounting of Industrial Customer RSP Surplus

RSP-CA-NLH-4
Attachment 1

Line No		A	B	C	D	E	F	G	H	I	J	K	L	M
	2013 Test Year Billing Determinants	**Jan**	**Feb**	**March**	**April**	**May**	**June**	**July**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Total**
1	Demand (kW)													
2	CBPP	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	240,000
3	NARL	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	366,000
4	Vale	100	400	400	1,000	2,000	4,000	6,000	8,300	12,200	13,300	13,900	13,900	75,500
5	Praxair	0	0	0	0	0	5,700	5,700	5,700	5,700	5,700	5,700	5,700	39,900
6	Teck	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	114,000
7	Total	60,100	60,400	60,400	61,000	62,000	69,700	71,700	74,000	77,900	79,000	79,600	79,600	835,400
8	Energy (MWh)													
9	CBPP	4,200	6,000	6,900	6,100	8,200	8,000	7,600	7,600	7,900	3,300	7,000	7,300	80,100
10	NARL	21,200	13,900	17,500	21,000	21,600	20,900	21,600	21,600	5,000	11,000	21,000	21,600	217,900
11	Vale	0	100	100	100	300	400	1,000	3,100	6,600	7,400	7,500	7,700	34,300
12	Praxair	0	0	0	0	0	200	300	100	400	900	1,200	1,200	4,300
13	Teck	6,200	5,900	6,400	6,100	6,300	5,700	5,500	5,700	5,500	6,000	6,100	6,400	71,800
14	Total	31,600	25,900	30,900	33,300	36,400	35,200	36,000	38,100	25,400	28,600	42,800	44,200	408,400

Line No			N	O	P	Q	R	S	
	IC RSP Surplus Drawdown		**Revenue using Phase-In Rates[2]**		**Revenue using 2013 Test Year Rates[2]**		**Difference**		**Reference**
			$	**$/kWh**	**$**	**$/kWh**	**$ (P - N)**	**$/kWh**	
15	IC RSP Surplus August 31, 2013						(49,000,000)		
16	August 31, 2013 IC RSP Balance[1]						38,971,422		
17	September to December 2013	Teck	869,440	0.0362	1,136,080	0.0473	266,640	0.0111	
18	January to December 2014	CBPP	5,188,848	0.0648	6,966,536	0.0870	1,777,688	0.0222	
19		NARL	11,167,088	0.0512	13,863,306	0.0636	2,696,218	0.0124	
20		Vale	2,029,860	0.0592	2,863,265	0.0835	833,405	0.0243	
21		Praxair	478,032	0.1112	569,913	0.1325	91,881	0.0214	
22		Teck	3,065,886	0.0427	4,689,305	0.0653	1,623,419	0.0226	
23		Total	21,929,714		28,952,325		7,022,611		Line 18 to 22
24	January to August 2015	CBPP	3,919,840	0.0718	4,701,740	0.0861	781,900	0.0143	
25		NARL	8,990,860	0.0564	9,913,278	0.0622	922,418	0.0058	
26		Vale	397,980	0.0780	802,384	0.1573	404,404	0.0793	
27		Praxair	161,568	0.2693	184,815	0.3080	23,247	0.0387	
28		Teck	2,409,394	0.0504	3,123,012	0.0653	713,618	0.0149	
29		Total	15,879,642		18,725,229		2,845,587		Line 24 to 28
30	Sub-Total IC RSP Drawdown						10,134,838		Col R, Lines 17 + 23 + 29
31	Shortfall (Surplus)						106,260		Col R, Lines 15 + 16 + 30

1) Based upon actual RSP balance to April 2013 forecast to August.
2) Calculated using rates provided in Table 4, page 11 of July 2013 Rate Stabilization Plan evidence.