

- 1 Q. **Reference: Exhibit 13, Cost of Service, Schedule 3.3A, page 1 of 1 Line 21**
- 2 Column 2 shows a specifically assigned charge of \$533,724 for Vale Newfoundland
- 3 & Labrador. For lines 2, 12 and 21 of the referenced schedule, please provide an
- 4 explanation for all amounts, including the components of each amount and the
- 5 calculations.
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- 8 A. The explanations and supporting calculations for the amounts on Lines 2, 12 and 21
- 9 of the above-referenced schedule are provided below.

Line No.	Explanation	Reference
Line 2	Plant in service or net book value of assets specifically assigned to Vale used as basis of prorating the total specifically assigned costs for NP and IC.	Pease refer to the response to IN-NLH-114 for a listing of specifically assigned assets for each IC.
Line 12	Vale's ratio of plant in service or net book value as a percentage of the total for NP and IC.	Schedule 3.3A, page 1 of 1, Line 2 divided by Line 9.
Line 21	Calculation of Vale's specifically assigned costs using percentages derived on Line 12 outlined above. The only exception is depreciation expense which is a direct cost.	Schedule 3.3A, page 1 of 1, Line 12 multiplied by Line 28.