

1     Q.     (Exhibit 13 – 2013 Cost of Service Study)

2           Please explain how (and what) costs are allocated to IOCC on the Labrador  
3           Interconnected System.

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6     A.     IOCC is a non-regulated customer served, in part, by Hydro's regulated transmission  
7           infrastructure in the Labrador Interconnected System. To ensure that regulated  
8           customers pay only their share of costs, IOCC's load supplied by Hydro is assigned  
9           costs in the same manner as an Industrial Customer on the Island Interconnected  
10          System. The customer is allocated its share of generation and transmission costs  
11          based upon Hydro's approved Cost of Service methodology.