

1 Q. **Reference: Page 4.6 Table 4.2.**

2 With respect to specifically assigned charges, please provide an update to IC-33, IC-
3 34 and IC-35 from the 2006 GRA.

4

5

6 A. IC-33 from the 2006 GRA reads:

7 *Please provide an update to IC-23 from the 2003 General Rate Application.*

8

9 IC-23 from the 2003 GRA reads:

10 *With respect to Specifically Assigned Charges for Industrial Customers provide the*
11 *total Specifically Assigned Charges billed to each of the Industrial Customers for*
12 *each of 1998 to 2002, inclusive, together with a breakdown of the component parts*
13 *of such charges for each of those years.*

14

15 The above data is provided for the years 2006 to 2012 in IC-NLH-087 Attachment 1.

16

17 IC-34 from the 2006 GRA reads:

18 *Please provide an update for the 2007 test year to the response to IC-24-NLH from*
19 *the 2003 GRA.*

20

21 IC-24 from the 2003 GRA reads:

22 *With respect to forecast 2003 and 2004 Specifically Assigned Charges, provide a*
23 *breakdown of the component parts of each of those forecast Specifically Assigned*
24 *Charges for each of the Industrial Customers and identify any Specifically Assigned*
25 *Charges proposed to be included or excluded in 2003 and/or 2004 Specifically*
26 *Assigned Charges which have/have not been charged in previous years and the*
27 *dollar amount of and rationale for each proposed change.*

The breakdown of the component parts for the 2013 Test Year Specifically Assigned Charges for each Industrial Customer are included in IC-NLH-087 Attachment 1.

The differences in the Specifically Assigned Charges between the 2007 Test Year and the 2013 Test Year primarily relate to the net impact of plant additions and retirements, as outlined in the table below.

Original Plant Values (\$)					
Customer	2007 Test Year	Additions	Retirements	Other	2013 Test Year
Vale	-	11,037,566	-	-	11,037,566
CBPP	3,293,621	3,468,037	(6,966)	-	6,754,692
NARL	1,101,024	40,798	(18,827)	-	1,122,995
Teck	5,454,500	-	-	(10,184)	5,444,316

Vale:

The plant additions represent costs for transmission line and terminal station equipment assets which came into service in 2012. The customer contributed \$10,434,589 to this amount. The Specifically Assigned Charges impact is \$533,724.

CBPP:

The plant additions include actuals for 2007, 2008, 2009, and 2011 and proposals for 2013 for upgrades/replacements to the Frequency Converter and Facility Upgrades. These projects would have been reviewed and approved through the respective annual capital budget process. The net increase in Specifically Assigned Charges of \$597,787 from \$347,167 to \$944,954 relates to these new assets and the impact of changes in the ratios used to allocate the total Specifically Assigned

Charges based on 2013 plant balances, as shown on Schedule 3.3A, Page 1 of 1 in Exhibit 13.

NARL:

There have been minimal asset additions or retirements since the 2007 Test Year. The net decrease in Specifically Assigned Charges of \$49,228 from \$150,976 to \$101,748 primarily relates to changes in the ratios used to allocate the total Specifically Assigned Charges based on 2013 plant balances, as shown on Schedule 3.3A, Page 1 of 1 in Exhibit 13.

Teck:

The 2007 Test Year incorporated a proposal for the transmission line and terminal station equipment assets which has since been updated to reflect actuals, as follows:

	2007 Test Year	2013 Test Year	Difference
Lines	\$4,199,965	\$4,534,363	\$334,398
Terminal Stations	\$1,254,535	\$909,953	(\$344,582)
Total	\$5,454,500	\$5,444,316	(\$10,184)

These costs are fully contributed by the customer. The net increase in Specifically Assigned Charges of \$28,840 from \$186,169 to \$215,009 relates to the update for actuals as well as changes in the ratios used to allocate the total Specifically Assigned Charges based on 2013 plant balances, as shown on Schedule 3.3A, Page 1 of 1 in Exhibit 13.

1 IC-35 from the 2006 GRA reads:

2 *Please explain in detail the basis for each of the estimated Specifically Assigned*
3 *amounts set out in the 2007 cost-of-service, as well as the basis for each of the*
4 *allocations to NP and each Industrial Customer.*

5

6 The basis and supporting calculations for each of the Specifically Assigned amounts
7 as set out in the 2013 Cost of Service, Exhibit 13, Schedule 3.3A, Page 1 of 1, for NP
8 and each Industrial Customer is provided in IC-NLH-087 Attachment 2.

Newfoundland and Labrador Hydro
Specifically Assigned Charges (\$)

IC-NLH-087, Attachment 1
Page 1 of 1, NLH 2013 GRA

Line No		A	B	C	D	E	F	G
		CBPP	Stephenville	Grand Falls	NARL	Teck	Vale	Total
1	2006	176,442	103,019	1,968	174,011	150,000	0	605,439
2	2007	347,167	78,485	1,244	150,976	186,169	0	764,041
3	2008	347,167	0	1,244	150,976	186,169	0	685,556
4	2009	347,167	0	370	150,976	186,169	0	684,682
5	2010	347,167	0	0	150,976	186,169	0	684,312
6	2011	347,167	0	0	150,976	186,169	0	684,312
7	2012	347,167	0	0	150,976	186,169	0	684,312
8	2013	944,954	0	0	101,748	215,009	533,724	1,795,435

2006 Components:

9	Operating and Maintenance	91,828	25,430	744	54,348	0	0	172,350
10	Depreciation	37,957	29,816	261	54,441	0	0	122,475
11	Gain/Loss on Disposal of Fixed Assets	487	499	10	681	0	0	1,677
12	Return on Debt	41,781	42,779	862	58,405	0	0	143,827
13	Return on Equity	4,389	4,494	91	6,135	0	0	15,109
14	Revenue Credit	0	0	0	0	0	0	0
15	Per Board Order P.U. 1(2006)	0	0	0	0	150,000	0	150,000
16	Total Annual Amounts	176,442	103,018	1,968	174,011	150,000	0	605,439

2007 to 2012 Components:

17	Operating and Maintenance	140,472	26,721	501	46,958	163,427	0	378,079
18	Depreciation	59,113	33,045	178	60,538	23,698	0	176,572
19	Expense Credits	(658)	(135)	(2)	(220)	(1,090)	0	(2,105)
20	Gain/Loss on Disposal of Fixed Assets	1,786	542	7	526	0	0	2,861
21	Return on Debt	134,076	40,714	513	39,493	0	0	214,796
22	Return on Equity	12,130	3,683	46	3,573	0	0	19,432
23	Revenue Credit	248	77	1	108	134	0	568
24	Total Annual Amounts	347,167	104,647	1,244	150,976	186,169	0	790,203

2013 Components:

25	Operating and Maintenance	351,969	0	0	58,514	203,731	459,566	1,073,780
26	Depreciation	170,813	0	0	15,686	12,604	45,702	244,805
27	Expense Credits	(1,838)	0	0	(306)	(1,481)	(3,004)	(6,629)
28	Gain/Loss on Disposal of Fixed Assets	3,878	0	0	254	0	285	4,417
29	Return on Debt	301,001	0	0	19,753	0	22,096	342,850
30	Return on Equity	118,454	0	0	7,773	0	8,696	134,923
31	Revenue Credit	677	0	0	74	155	383	1,289
32	Total Annual Amounts	944,954	0	0	101,748	215,009	533,724	1,795,435

¹ Partial charges in 2007 and 2009 due to shut down of operations.

Newfoundland and Labrador Hydro
2013 Test Year
Calculation of Specifically Assigned Charges - Total

IC-NLH-087, Attachment 2
Page 1 of 6, NLH 2013 GRA

Operating and Maintenance (O&M) Costs:

Col 3, Line 28	Transmission Lines	Specifically Assigned Transmission Plant/Total Transmission Plant x Transmission Lines O&M	$(\$35,549,729 / \$331,321,001) \times \$3,744,074$	\$401,728
Col 4, Line 28	Terminal Stations	Specifically Assigned Terminal Station Plant/Total Terminal Station Plant x Terminal Station O&M	$(\$24,521,880 / \$175,824,526) \times \$5,087,316$	\$709,517
	Administrative & General Overheads:			
	Transmission O&M Overhead	Specifically Assigned Transmission and Terminal Station Plant/Total Transmission & Terminal Station Plant x Transmission O&M Overhead	$\$60,071,608 / \$507,145,527 \times \$4,424,868$	\$524,128
	Prod., Transmission & Distn O&M Overhead	Total Specifically Assigned Plant/Total Plant x Prod., Transmission & Distn O&M O/H	$\$64,862,370 / \$1,997,391,503 \times \$406,146$	\$13,189
	Prod., Trans, Distn Excl. Hydraulic & Holyrood O&M O/H	Specifically Assigned Transmission & Term Stn Plant/Total Prod., Transmission & Distn Plant excl Hydraulic and Holyrood Plt x Production & Trans O&M O/H	$\$60,071,608 / \$706,096,008 \times \$1,251,650$	\$106,485
	Property Insurance	Specifically Assigned Term Stn Plant + Allocated Gen Plant/Total Insured Plant x Property Insurance	$\$29,181,414 / \$1,507,374,697 \times \$1,286,094$	\$24,898
	Expense-Related (GTDC) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct O&M Expense x Expense Related (GTDC) O&M Overheads	$\$1,350,483 / \$52,474,676 \times \$17,202,851$	\$442,731
	Expense-Related (GTD) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct GTD O&M Expense x Expense Related (GTD) O&M Overheads	$\$1,350,483 / \$50,501,684 \times \$1,157,450$	\$41,381
Col 5, Line 28	Sub-Total Administrative & General Overheads			\$1,152,812
Col 6, Line 28	Transmission Other	Specifically Assigned Transmission & Terminal Station Plant/Total Transmission and Terminal Station Plant x Transmission Other O&M	$\$60,071,608 / \$507,145,527 \times \$2,019,730$	\$239,238

Depreciation:

Col 7, Line 28	Transmission	Direct		\$600,084
Col 8, Line 28	Telecontrol & Feasibility Study	Direct		\$360,947
Col 10, Line 28	General	Total Specifically Assigned Depreciation less Direct Depreciation	$\$1,132,536 - (\$600,084 + \$360,947)$	\$171,505

Expense Credits:

Col 11, Line 28	Rental Income	Specifically Assigned Transmission & Terminal Station Plant/Total Prod., Transmission and Distn Plant x Total Expense Credits	$\$60,071,608 / \$1,810,868,610 \times (\$15,744)$	(\$522)
	Other Expense Credits:			
	Sundry	Total Specifically Assigned O&M/Total O&M x Total Sundry Expense Credits	$\$2,503,294 / \$89,425,968 \times (\$488,035)$	(\$13,662)
	Supplier Discounts	Total Specifically Assigned O&M/Total O&M x Total Sundry Expense Credits	$\$2,503,294 / \$89,425,968 \times (\$77,337)$	(\$2,165)
Col 12, Line 28	Sub-Total Other Expense Credits			(\$15,827)

Gains/Losses:

Col 13, Line 28	Gains/Losses	Total NBV Specifically Assigned Assets/Total NBV x Total Gains/Losses	$\$30,299,338 / \$1,294,247,390 \times \$1,005,645$	\$23,543
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Return:

Col 15, Line 28	Return on Debt	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Debt	$\$32,526,384 / \$1,428,208,448 \times \$80,235,295$	\$1,827,298
Col 16, Line 28	Return on Equity	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Equity	$\$32,526,384 / \$1,428,208,448 \times \$31,575,197$	\$719,101

Revenue Related:

	Newfoundland Power	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Debt	$\$4,395,281 / \$398,589,096 \times \$533,781$	\$5,886
	Industrial Customers	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Equity	$\$1,719,412 / \$28,934,854 \times \$20,857$	\$1,293
Col 18, Line 28	Total Revenue Related			\$7,179

Total Specifically Assigned Charges

\$6,196,603

Newfoundland and Labrador Hydro
2013 Test Year
Calculation of Specifically Assigned Charges - Vale

IC-NLH-087, Attachment 2
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Operating and Maintenance (O&M) Costs:

Col 3, Line 21	Transmission Lines	Customer Transmission Plant/Total Transmission Plant x Transmission Lines O&M	(\$6,554,033/\$331,321,001) x \$3,744,074	\$74,063
Col 4, Line 21	Terminal Stations	Customer Terminal Station Plant/Total Terminal Station Plant x Terminal Station O&M	(\$4,483,533/\$175,824,526) x \$5,087,316	\$129,727
	Administrative & General Overheads:			
	Transmission O&M Overhead	Specifically Assigned Transmission and Terminal Station Plant/Total Transmission & Terminal Station Plant x Transmission O&M Overhead	\$60,071,608/\$507,145,527 x \$4,424,868	\$524,128
	Prod., Transmission & Distn O&M Overhead	Total Specifically Assigned Plant/Total Plant x Prod., Transmission & Distn O&M O/H	\$64,862,370/\$1,997,391,503 x \$406,146	\$13,189
	Prod., Trans, Distn Excl. Hydraulic & Holyrood O&M O/H	Specifically Assigned Transmission & Term Stn Plant/Total Prod., Transmission & Distn Plant excl Hydraulic and Holyrood Plt x Production & Trans O&M O/H	\$60,071,608/\$706,096,008 x \$1,251,650	\$106,485
	Property Insurance	Specifically Assigned Term Stn Plant + Allocated Gen Plant/Total Insured Plant x Property Insurance	\$29,181,414/\$1,507,374,697 x \$1,286,094	\$24,898
	Expense-Related (GTDC) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct O&M Expense x Expense Related (GTDC) O&M Overheads	\$1,350,483/\$52,474,676 x \$17,202,851	\$442,731
	Expense-Related (GTD) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct GTD O&M Expense x Expense Related (GTD) O&M Overheads	\$1,350,483/\$50,501,684 x \$1,157,450	\$41,381
	Sub-Total Spec Ass Administrative & General Overheads			\$1,152,812
Col 5, Line 21	Customer Share	Customer Trans Line & Term Stn Plt/Specifically Assigned Trans Line & Term Stn Plt x Total Spec Assigned O&M Overheads	\$11,037,566/\$60,071,608 x \$1,152,812	\$211,818
Col 6, Line 21	Transmission Other	Customer Transmission & Terminal Station Plant/Total Transmission and Terminal Station Plant x Transmission Other O&M	\$11,037,566/\$507,145,527 x \$2,019,730	\$43,958

Depreciation:

Col 7, Line 21	Transmission	Direct		\$4,059
Col 8, Line 21	Telecontrol & Feasibility Study	Direct		\$10,180
Col 10, Line 21	General	Total Customer Depreciation less Direct Depreciation	\$137,402 - (\$4,059 + \$10,180)	\$31,463

Expense Credits:

Col 11, Line 21	Customer Allocation			(\$96)
Col 12, Line 21	Customer Allocation			(\$2,908)

Gains/Losses:

	Total Specifically Assigned Gains/Losses	Total NBV Specifically Assigned Assets/Total NBV x Total Gains/Losses	\$30,299,338/\$1,294,247,390 x \$1,005,645	\$23,543
Col 13, Line 21	Customer Share	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Gains/Losses	\$346,005/\$28,613,691 x \$23,543	\$285

Return:

	Total Spec Assigned Return on Debt	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Debt	\$32,526,384/\$1,428,208,448 x \$80,235,295	\$1,827,298
Col 15, Line 21	Customer Return on Debt	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Debt	\$346,005/\$28,613,691 x \$1,827,298	\$22,096
	Total Spec Assigned Return on Equity	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Equity	\$32,526,384/\$1,428,208,448 x \$31,575,197	\$719,101
Col 16, Line 21	Customer Return on Equity	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Equity	\$346,005/\$28,613,691 x \$719,101	\$8,696

Revenue Related:

Col 18, Line 21	Customer Allocation			\$384
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Total Specifically Assigned Charges

\$533,725

Newfoundland and Labrador Hydro
2013 Test Year
Calculation of Specifically Assigned Charges - CBPP

IC-NLH-087, Attachment 2
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Operating and Maintenance (O&M) Costs:

Col 3, Lines 23 + 24	Transmission Lines	Customer Transmission Plant/Total Transmission Plant x Transmission Lines O&M	NA	
Col 4, Lines 23 + 24	Terminal Stations	Customer Terminal Station Plant/Total Terminal Station Plant x Terminal Station O&M	(\$6,754,692/\$175,824,526) x \$5,087,316	\$195,441
	Administrative & General Overheads:			
	Transmission O&M Overhead	Specifically Assigned Transmission and Terminal Station Plant/Total Transmission & Terminal Station Plant x Transmission O&M Overhead	\$60,071,608/\$507,145,527 x \$4,424,868	\$524,128
	Prod., Transmission & Distn O&M Overhead	Total Specifically Assigned Plant/Total Plant x Prod., Transmission & Distn O&M O/H	\$64,862,370/\$1,997,391,503 x \$406,146	\$13,189
	Prod., Trans, Distn Excl. Hydraulic & Holyrood O&M O/H	Specifically Assigned Transmission & Term Stn Plant/Total Prod., Transmission & Distn Plant excl Hydraulic and Holyrood Plt x Production & Trans O&M O/H	\$60,071,608/\$706,096,008 x \$1,251,650	\$106,485
	Property Insurance	Specifically Assigned Term Stn Plant + Allocated Gen Plant/Total Insured Plant x Property Insurance	\$29,181,414/\$1,507,374,697 x \$1,286,094	\$24,898
	Expense-Related (GTDC) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct O&M Expense x Expense Related (GTDC) O&M Overheads	\$1,350,483/\$52,474,676 x \$17,202,851	\$442,731
	Expense-Related (GTD) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct GTD O&M Expense x Expense Related (GTD) O&M Overheads	\$1,350,483/\$50,501,684 x \$1,157,450	\$41,381
	Sub-Total Spec Ass Administrative & General Overheads			\$1,152,812
Col 5, Lines 23 + 24	Customer Share	Customer Trans Line & Term Stn Plt/Specifically Assigned Trans Line & Term Stn Plt x Total Spec Assigned O&M Overheads	\$6,754,692/\$60,071,608 x \$1,152,812	\$129,627
Col 6, Lines 23 + 24	Transmission Other	Customer Transmission & Terminal Station Plant/Total Transmission and Terminal Station Plant x Transmission Other O&M	\$6,754,692/\$507,145,527 x \$2,019,730	\$26,901

Depreciation:

Col 7, Lines 23 + 24	Transmission	Direct		\$142,576
Col 8, Lines 23 + 24	Telecontrol & Feasibility Study	Direct	NA	
Col 10, Lines 23 + 24	General	Total Customer Depreciation less Direct Depreciation	\$170,813 - \$142,576	\$28,237

Expense Credits:

Col 11, Lines 23 + 24	Customer Allocation			(\$59)
Col 12, Lines 23 + 24	Customer Allocation			(\$1,779)

Gains/Losses:

	Total Specifically Assigned Gains/Losses	Total NBV Specifically Assigned Assets/Total NBV x Total Gains/Losses	\$30,299,338/\$1,294,247,390 x \$1,005,645	\$23,543
Col 13, Lines 23 + 24	Customer Share	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Gains/Losses	\$4,713,375/\$28,613,691 x \$23,543	\$3,878

Return:

	Total Spec Assigned Return on Debt	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Debt	\$32,526,384/\$1,428,208,448 x \$80,235,295	\$1,827,298
Col 15, Lines 23 + 24	Customer Return on Debt	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Debt	\$4,713,375/\$28,613,691 x \$1,827,298	\$301,001
	Total Spec Assigned Return on Equity	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Equity	\$32,526,384/\$1,428,208,448 x \$31,575,197	\$719,101
Col 16, Lines 23 + 24	Customer Return on Equity	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Equity	\$4,713,375/\$28,613,691 x \$719,101	\$118,454

Revenue Related:

Col 18, Lines 23 + 24	Customer Allocation			\$680
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Total Specifically Assigned Charges

\$944,957

Newfoundland and Labrador Hydro
2013 Test Year
Calculation of Specifically Assigned Charges - NARL

IC-NLH-087, Attachment 2
Page 4 of 6, NLH 2013 GRA

Operating and Maintenance (O&M) Costs:

Col 3, Line 25	Transmission Lines	Customer Transmission Plant/Total Transmission Plant x Transmission Lines O&M	NA	
Col 4, Line 25	Terminal Stations	Customer Terminal Station Plant/Total Terminal Station Plant x Terminal Station O&M	(\$1,122,955/\$175,824,526) x \$5,087,316	\$32,492
	Administrative & General Overheads:			
	Transmission O&M Overhead	Specifically Assigned Transmission and Terminal Station Plant/Total Transmission & Terminal Station Plant x Transmission O&M Overhead	\$60,071,608/\$507,145,527 x \$4,424,868	\$524,128
	Prod., Transmission & Distn O&M Overhead	Total Specifically Assigned Plant/Total Plant x Prod., Transmission & Distn O&M O/H	\$64,862,370/\$1,997,391,503 x \$406,146	\$13,189
	Prod., Trans, Distn Excl. Hydraulic & Holyrood O&M O/H	Specifically Assigned Transmission & Term Stn Plant/Total Prod., Transmission & Distn Plant excl Hydraulic and Holyrood Plt x Production & Trans O&M O/H	\$60,071,608/\$706,096,008 x \$1,251,650	\$106,485
	Property Insurance	Specifically Assigned Term Stn Plant + Allocated Gen Plant/Total Insured Plant x Property Insurance	\$29,181,414/\$1,507,374,697 x \$1,286,094	\$24,898
	Expense-Related (GTDC) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct O&M Expense x Expense Related (GTDC) O&M Overheads	\$1,350,483/\$52,474,676 x \$17,202,851	\$442,731
	Expense-Related (GTD) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct GTD O&M Expense x Expense Related (GTD) O&M Overheads	\$1,350,483/\$50,501,684 x \$1,157,450	\$41,381
	Sub-Total Spec Ass Administrative & General Overheads			\$1,152,812
Col 5, Line 25	Customer Share	Customer Trans Line & Term Stn Plt/Specifically Assigned Trans Line & Term Stn Plt x Total Spec Assigned O&M Overheads	\$1,122,955/\$60,071,608 x \$1,152,812	\$21,550
Col 6, Line 25	Transmission Other	Customer Transmission & Terminal Station Plant/Total Transmission and Terminal Station Plant x Transmission Other O&M	\$1,122,955/\$507,145,527 x \$2,019,730	\$4,472

Depreciation:

Col 7, Line 25	Transmission	Direct		\$10,992
Col 8, Line 25	Telecontrol & Feasibility Study	Direct	NA	
Col 10, Line 25	General	Total Customer Depreciation less Direct Depreciation	\$15,686 - \$10,992	\$4,694

Expense Credits:

Col 11, Line 25	Customer Allocation			(\$10)
Col 12, Line 25	Customer Allocation			(\$296)

Gains/Losses:

	Total Specifically Assigned Gains/Losses	Total NBV Specifically Assigned Assets/Total NBV x Total Gains/Losses	\$30,299,338/\$1,294,247,390 x \$1,005,645	\$23,543
Col 13, Line 25	Customer Share	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Gains/Losses	\$309,305/\$28,613,691 x \$23,543	\$254

Return:

	Total Spec Assigned Return on Debt	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Debt	\$32,526,384/\$1,428,208,448 x \$80,235,295	\$1,827,298
Col 15, Line 25	Customer Return on Debt	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Debt	\$309,305/\$28,613,691 x \$1,827,298	\$19,753
	Total Spec Assigned Return on Equity	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Equity	\$32,526,384/\$1,428,208,448 x \$31,575,197	\$719,101
Col 16, Line 25	Customer Return on Equity	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Equity	\$309,305/\$28,613,691 x \$719,101	\$7,773

Revenue Related:

Col 18, Line 25	Customer Allocation			\$73
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Total Specifically Assigned Charges

\$101,747

Newfoundland and Labrador Hydro
2013 Test Year
Calculation of Specifically Assigned Charges - Teck

IC-NLH-087, Attachment 2
Page 5 of 6, NLH 2013 GRA

Operating and Maintenance (O&M) Costs:

Col 3, Line 26	Transmission Lines	Customer Transmission Plant/Total Transmission Plant x Transmission Lines O&M	(\$4,534,363/\$331,321,001) x \$3,744,074	\$51,240
Col 4, Line 26	Terminal Stations	Customer Terminal Station Plant/Total Terminal Station Plant x Terminal Station O&M	(\$909,953/\$175,824,526) x \$5,087,316	\$26,329
	Administrative & General Overheads:			
	Transmission O&M Overhead	Specifically Assigned Transmission and Terminal Station Plant/Total Transmission & Terminal Station Plant x Transmission O&M Overhead	\$60,071,608/\$507,145,527 x \$4,424,868	\$524,128
	Prod., Transmission & Distn O&M Overhead	Total Specifically Assigned Plant/Total Plant x Prod., Transmission & Distn O&M O/H	\$64,862,370/\$1,997,391,503 x \$406,146	\$13,189
	Prod., Trans, Distn Excl. Hydraulic & Holyrood O&M O/H	Specifically Assigned Transmission & Term Stn Plant/Total Prod., Transmission & Distn Plant excl Hydraulic and Holyrood Plt x Production & Trans O&M O/H	\$60,071,608/\$706,096,008 x \$1,251,650	\$106,485
	Property Insurance	Specifically Assigned Term Stn Plant + Allocated Gen Plant/Total Insured Plant x Property Insurance	\$29,181,414/\$1,507,374,697 x \$1,286,094	\$24,898
	Expense-Related (GTDC) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct O&M Expense x Expense Related (GTDC) O&M Overheads	\$1,350,483/\$52,474,676 x \$17,202,851	\$442,731
	Expense-Related (GTD) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct GTD O&M Expense x Expense Related (GTD) O&M Overheads	\$1,350,483/\$50,501,684 x \$1,157,450	\$41,381
	Sub-Total Spec Ass Administrative & General Overheads			\$1,152,812
Col 5, Line 26	Customer Share	Customer Trans Line & Term Stn Plt/Specifically Assigned Trans Line & Term Stn Plt x Total Spec Assigned O&M Overheads	\$5,444,316/\$60,071,608 x \$1,152,812	\$104,480
Col 6, Line 26	Transmission Other	Customer Transmission & Terminal Station Plant/Total Transmission and Terminal Station Plant x Transmission Other O&M	\$5,444,316/\$507,145,527 x \$2,019,730	\$21,682

Depreciation:

Col 7, Line 26	Transmission	Direct		
Col 8, Line 26	Telecontrol & Feasibility Study	Direct	NA	
Col 10, Line 26	General	Total Customer Depreciation less Direct Depreciation	NA	\$12,604

Expense Credits:

Col 11, Line 26	Customer Allocation			(\$47)
Col 12, Line 26	Customer Allocation			(\$1,434)

Gains/Losses:

	Total Specifically Assigned Gains/Losses	Total NBV Specifically Assigned Assets/Total NBV x Total Gains/Losses	\$30,299,338/\$1,294,247,390 x \$1,005,645	\$23,543
Col 13, Line 26	Customer Share	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Gains/Losses	NA	

Return:

	Total Spec Assigned Return on Debt	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Debt	NA	
Col 15, Line 26	Customer Return on Debt	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Debt	NA	
	Total Spec Assigned Return on Equity	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Equity	NA	
Col 16, Line 26	Customer Return on Equity	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Equity	NA	

Revenue Related:

Col 18, Line 26	Customer Allocation			\$155
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Total Specifically Assigned Charges

\$215,009

Newfoundland and Labrador Hydro
2013 Test Year
Calculation of Specifically Assigned Charges - NP

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Operating and Maintenance (O&M) Costs:

Col 3, Line 20	Transmission Lines	Customer Transmission Plant/Total Transmission Plant x Transmission Lines O&M	(\$24,461,333/\$331,321,001) x \$3,744,074	\$276,424
Col 4, Line 20	Terminal Stations	Customer Terminal Station Plant/Total Terminal Station Plant x Terminal Station O&M	(\$11,250,747/\$175,824,526) x \$5,087,316	\$325,530
	Administrative & General Overheads:			
	Transmission O&M Overhead	Specifically Assigned Transmission and Terminal Station Plant/Total Transmission & Terminal Station Plant x Transmission O&M Overhead	\$60,071,608/\$507,145,527 x \$4,424,868	\$524,128
	Prod., Transmission & Distn O&M Overhead	Total Specifically Assigned Plant/Total Plant x Prod., Transmission & Distn O&M O/H	\$64,862,370/\$1,997,391,503 x \$406,146	\$13,189
	Prod., Trans, Distn Excl. Hydraulic & Holyrood O&M O/H	Specifically Assigned Transmission & Term Stn Plant/Total Prod., Transmission & Distn Plant excl Hydraulic and Holyrood Plt x Production & Trans O&M O/H	\$60,071,608/\$706,096,008 x \$1,251,650	\$106,485
	Property Insurance	Specifically Assigned Term Stn Plant + Allocated Gen Plant/Total Insured Plant x Property Insurance	\$29,181,414/\$1,507,374,697 x \$1,286,094	\$24,898
	Expense-Related (GTDC) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct O&M Expense x Expense Related (GTDC) O&M Overheads	\$1,350,483/\$52,474,676 x \$17,202,851	\$442,731
	Expense-Related (GTD) O&M Overhead	Total Direct Spec Assigned O&M Expense/Total Direct GTD O&M Expense x Expense Related (GTD) O&M Overheads	\$1,350,483/\$50,501,684 x \$1,157,450	\$41,381
	Sub-Total Spec Ass Administrative & General Overheads			\$1,152,812
Col 5, Line 20	Customer Share	Customer Trans Line & Term Stn Plt/Specifically Assigned Trans Line & Term Stn Plt x Total Spec Assigned O&M Overheads	\$35,712,080/\$60,071,608 x \$1,152,812	\$685,337
Col 6, Line 20	Transmission Other	Customer Transmission & Terminal Station Plant/Total Transmission and Terminal Station Plant x Transmission Other O&M	\$35,712,080/\$507,145,527 x \$2,019,730	\$142,225

Depreciation:

Col 7, Line 20	Transmission	Direct		\$793,225
Col 8, Line 20	Telecontrol & Feasibility Study	Direct	NA	
Col 10, Line 20	General	Total Customer Depreciation less Direct Depreciation	\$887,732 - \$793,225	\$94,507

Expense Credits:

Col 11, Line 20	Customer Allocation			(\$310)
Col 12, Line 20	Customer Allocation			(\$9,409)

Gains/Losses:

	Total Specifically Assigned Gains/Losses	Total NBV Specifically Assigned Assets/Total NBV x Total Gains/Losses	\$30,299,338/\$1,294,247,390 x \$1,005,645	\$23,543
Col 13, Line 20	Customer Share	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Gains/Losses	\$23,245,006/\$28,613,691 x \$23,543	\$19,126

Return:

	Total Spec Assigned Return on Debt	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Debt	\$32,526,384/\$1,428,208,448 x \$80,235,295	\$1,827,298
Col 15, Line 20	Customer Return on Debt	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Debt	\$23,245,006/\$28,613,691 x \$1,827,298	\$1,484,448
	Total Spec Assigned Return on Equity	Total Specifically Assigned Rate Base/Total Rate Base x Total Return on Equity	\$32,526,384/\$1,428,208,448 x \$31,575,197	\$719,101
Col 16, Line 20	Customer Return on Equity	Customer NBV/Total Spec Assigned NBV x Total Spec Assigned Return on Equity	\$23,245,006/\$28,613,691 x \$719,101	\$584,179

Revenue Related:

Col 18, Line 20	Customer Allocation			\$5,886
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Total Specifically Assigned Charges

\$4,401,168