

1    Q.    **Re: NLH Evidence, Section 4, page 4.14, lines 10-13**

2                    It is stated: "The 2013 revenue to cost ratio, including allocated rural deficit,  
3                    for Labrador Interconnected Customers is 1.44. The ratio exceeds 1.0 as  
4                    Labrador Interconnected Rural Customers pay a portion of the rural deficit in  
5                    addition to their system costs."

6                    Please provide a detailed accounting of the rural deficit calculations, indicating the  
7                    amount attributable to Labrador Interconnected Customers.

8

9

10    A.    A detailed accounting of the rural deficit is outlined in Schedule 1.2, Page 1 of 6,  
11                    Lines 1 to 14. Column 1 shows the Rate Class, Column 5 details the incurrence and  
12                    proposed funding of the rural deficit, and Column 8 shows the Revenue to Cost  
13                    Coverage by Rate Class. The amount recovered from Labrador Interconnected  
14                    Customers is \$6,842,261 as shown on Line 5, Column 5.