

1 Q. **Re: IN-NLH-096, Att. 1**

2 Please:

3 • Confirm that the line "Cost Recoveries" represents billings to MIFN and/or the
4 Federal Government,
5 • Confirm that, apart from fuel costs, these Cost Recoveries represent the only
6 cost to MIFN and/or the Federal Government of providing electrical service to
7 Natuashish,
8 • Indicate the average cost of these cost recoveries, on a ¢/kWh basis, and
9 • Present the "allowance for administrative costs" (the Net Operating
10 Expense/(Recovery)) for each year as a percentage of total costs.

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13 A. Please refer to IN-NLH-197 Attachment 1.

14 • Hydro confirms that the line "Cost Recoveries represents billings to MIFN;
15 • Hydro bills MIFN for the costs, labour and administrative mark-ups associated
16 with the operation of the diesel plant in Natuashish. These billings are recorded
17 as Cost Recoveries;
18 • Please refer to IN-NLH-200, Attachment 1, Page 1 of 1, for the average cost
19 recoveries on a ¢/kWh basis; and
20 • Cost recoveries include an allowance for administrative costs, however, a
21 detailed breakout by year is not readily available.

Newfoundland and Labrador Hydro
Natuashish Cost Recoveries
By kWh

<u>Cost Type Description</u>	<u>Actual</u>						<u>Actual YTD (as of August 31)</u>	<u>Average (¢/kWh)</u>
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>		
Cost Recoveries	556,175	1,427,372	1,266,016	828,926	846,635	549,454	757,108	890,241
kWh Consumption (Per IN-NLH-070) ¹	8,400,372	8,185,517	8,099,034	8,319,062	8,692,355	8,655,477	8,809,852	8,451,667
Cost recoveries (¢) per kWh	6.6	17.4	15.6	10.0	9.7	6.3	8.6	10.6

¹ Net energy produced at the diesel plant.