Q. **Reference: Rates and Regulations**

Complete the table below assuming the proposed rates in the Application are approved. In the response, please attach the calculations supporting the response and assume an energy allocation approach in the load variation component.

Forecast RSP Load Variation Transfers					
	2013 Test Year (GWh)	**Sales Forecast (GWh)**	**Variance**	**Debit or Credit to NP RSP ($000s)**	**Debit or Credit to IC RSP ($000s)**
2014					
2015					
2016					
2017					

A. Please see the completed table below as requested. Refer to Attachment 1 for the supporting calculations.

Forecast RSP Load Variation Transfers					
	2013 Test Year (GWh)	**Sales Forecast (GWh)**	**Variance**	**Debit/ (Credit) to NP RSP ($000s)**	**Debit/ (Credit) to IC RSP ($000s)**
2014	6,002.7	6,339.8	337.1	31,792	3,103
2015	6,002.7	6,564.8	562.1	53,986	6,730
2016	6,002.7	6,818.0	815.3	77,509	11,895
2017	6,002.7	6,820.1	817.4	77,609	11,907

Newfoundland and Labrador Hydro
Forecast RSP Load Variation Transfers for 2014 to 2017

Line No			A	B	C	D	E	F	G	H	I	J
										Reallocate Rural Island Customers[4]		
			2013 Test Year Sales	Sales Forecast	Sales Variance	Cost of Service No. 6 Fuel Cost[1]	Firm Energy Rate	Load Variation	Allocation of Load Variation[3]	Utility	Labrador Interconnected	Total Load Variation
			(GWh)	(GWh)	(GWh)	($Can/bbl.)	($/kWh)	($000s)	($000s)	($000s)	($000s)	($000s)
					(B-A)			**C x {(D/O^2) - E}**				**(G+H)**
1	2014	Utility	5,594.3	5,740.2	145.9	107.98	0.10400	10,569	29,705	2,088	265	31,792
2		Industrial Customers	408.4	599.6	191.2	107.98	0.04782	24,592	3,103			3,103
3		Rural Island		454.7					2,353			
4		Total		6,794.5				35,160	35,160			34,895
5	2015	Utility	5,594.3	5,792.5	198.2	107.98	0.10400	14,357	50,478	3,507	445	53,986
6		Industrial Customers	408.4	772.3	363.9	107.98	0.04782	46,804	6,730			6,730
7		Rural Island		453.6					3,953			
8		Total		7,018.4				61,161	61,161			60,716
9	2016	Utility	5,594.3	5,858.4	264.1	107.98	0.10400	19,131	72,621	4,888	621	77,509
10		Industrial Customers	408.4	959.6	551.2	107.98	0.04782	70,894	11,895			11,895
11		Rural Island		444.4					5,509			
12		Total		7,262.4				90,025	90,025			89,404
13	2017	Utility	5,594.3	5,861.4	267.1	107.98	0.10400	19,348	72,797	4,811	611	77,609
14		Industrial Customers	408.4	958.7	550.3	107.98	0.04782	70,778	11,907			11,907
15		Rural Island		436.6					5,422			
16		Total		7,256.7				90,127	90,127			89,515

1) For the purpose of this response, the twelve month average No. 6 fuel cost from the 2013 Test Year Cost of Service Study was used.
2) O is the Holyrood Operating Efficiency of 612 kWh/barrel from the 2013 Test Year Cost of Service Study.
3) Calculated using the proportionate share of total twelve months-to-date actual energy sales for each customer class.
4) The load variance initially allocated to Rural Island Interconnected is re-allocated between Utility and Labrador Interconnected customers in same proportion as the Rural Deficit was allocated in the 2013 Test Year Cost of Service Study, which is 88.73% and 11.27%, respectively.