

1 Q. (Interim Rates Evidence, page 9, Table 3)  
2 Why are Domestic and General Service customers on the Island Isolated System and  
3 the Labrador Isolated System receiving a rate increase if they are not part of the  
4 interim rates application; i.e., rates for these customer classes are not included in  
5 Schedule A? Please reproduce Table 1 (page 3) assuming no interim rate increase  
6 for these customers.

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9 A. Hydro is revising its request for a rate increase for domestic and general service  
10 customers on the Island Isolated System and the Labrador Isolated System. Upon  
11 closer review of this directive<sup>1</sup>, these customer rates can only be increased if an  
12 application is made for interim rates for “all” customers. The exclusion of Labrador  
13 Interconnected Customers from Hydro’s Interim Rates Application, precludes these  
14 customers from receiving this increase, which has been deferred since 2007 by  
15 Government subsidy paid to Hydro. As the funding for this deferred increase will  
16 continue to be received from Government, there is no material change to Table 1.

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<sup>1</sup> Refer to CA-NLH-024, Attachment 11.