Q. The response to PR-PUB-NLH- 187 was incomplete. The question included a request for the derivation of the replacement costs. Please provide the derivation or calculation of the "interval costs" shown on Attachment 1.

A. Please see the electronic MS Excel spreadsheet entitled “PR-PUB-NLH-211 Supporting Doc.xlsx”. There are comments inserted in the column headers to help explain the derivation of the replacement interval costs. As indicated in Hydro’s response to PR-PUB-NLH-132 for the daily energy amounts, the interval energy amounts for Hydro’s standby units[1] are determined from interval EMS data (PI data) which is scaled to equal the monthly metered amounts. Hydro does not have interval meter data for its standby units. The monthly metered amounts are the official production numbers used for RSP[2] entries and various monthly and annual statistical reports.

Note that all costs (for Standby generation and CBPP capacity assistance) are net of Holyrood fuel savings, with the January Holyrood energy rate calculated as the test year monthly fuel price (in $/bbl) divided by the fuel conversion rate for the month (in kWh/bbl).

[1] Hardwoods and Stephenville Gas Turbines and the St. Anthony and Hawkes Bay Diesel Plants.
[2] Rate Stabilization Plan.