

1 Q. **Project assignment under cost of service**

2 Please indicate, in respect of all projects over \$50,000, whether the proposed
3 capital expenditure is in respect of a common asset or specifically assigned to
4 Newfoundland Power or the Island Industrial Customers in Hydro's most recent cost
5 of service study.

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8 A. Hydro has not identified any of the assets contained in the 2014 proposals as
9 specifically assigned to Newfoundland Power or the Island Industrial Customers.
10 Assets which serve only rural customers, such as distribution assets or those related
11 to isolated systems, are assigned to only those rural customers. The remaining
12 assets are common and assigned to all customers within a system.

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14 Please note that the projects proposed in the 2014 Capital Budget Application are
15 not included in the 2013 Test Year Cost of Service (COS) Study, which is Hydro's
16 most recent COS study.