

1 **Volume 2, Tab 12 – Marginal Cost Study**

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3 **Q. (page 38) “This means setting each class’ revenue requirement at the same percent**  
4 **of its marginal cost revenues (79% in Schedule 27).” Please provide further**  
5 **clarification of this statement, in particular, the reference to 79%.**

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7 A. The reference to 79% in the statement on page 38 is the result of an inadvertent error that  
8 occurred during editing of the Marginal Cost Study. The statement should reference  
9 81%, consistent with the correct figure of 81.3% contained in Schedule 27.

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11 Newfoundland Power will file a revised page 38 to correct the error.