

- 1 Q. **Reference: Schedule 1 – Evidence, Appendix B, page 5, Footnote 4**
- 2 Please provide the calculations supporting the estimated reduction in 2019 test
- 3 year revenue requirement of \$16.6 million resulting from the 2017 GRA Settlement
- 4 Agreement.
- 5
- 6
- 7 A. Please refer to NP-NLH-297, Attachment 1 for the detailed estimated 2019 Test
- 8 Year revenue requirement impact resulting from the 2017 GRA Settlement
- 9 Agreement.<sup>1</sup>

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<sup>1</sup> Hydro has used the Expected Supply Scenario in preparing NP-NLH-297, Attachment 1. However, given the cost reductions primarily relate to operating costs, depreciation costs and interest costs, the scenario used in preparing the response will not materially impact the breakdown.

**Newfoundland and Labrador Hydro  
2019 Expected Supply Cost Scenario  
Total System Revenue Requirement**

Line No.	1 Description	2 Filed 3/22/2018 (\$)	3 Including Settlement Adjustments (\$)	4 Settlement Adjustments (\$)	5 Notes
	Revenue Requirement				
	<b>Expenses</b>				
1	Operating, Maintenance and Admin.	145,333,862	140,793,862	(4,540,000)	1
2	Fuels - No. 6 Fuel	70,419,928	70,419,928	-	
3	Fuels - Diesel	16,292,068	16,292,068	-	
4	Fuels - Gas Turbine	1,499,353	1,499,353	-	
5	Fuel Supply Deferral	-	-	-	
6	Power Purchases -CF(L)Co	1,428,356	1,428,356	-	
7	Power Purchases - Other	64,916,237	64,916,237	-	
8	Power Purchases - MF	-	-	-	
8	Power Purchases - LIL & LTA Costs	52,900,000	52,900,000	-	
9	Power Purchases - Off Island	5,562,144	5,562,144	-	
10	Depreciation	92,481,110	81,580,351	(10,900,760)	
	<b>Expense Credits:</b>				
11	Sundry	(456,000)	(456,000)	-	
12	Building Rental Income	(15,600)	(15,600)	-	
13	Tax Refunds	-	-	-	
14	Suppliers' Discounts	(39,600)	(39,600)	-	
15	Pole Attachments	(1,598,389)	(1,598,389)	-	
16	Wheeling Revenues	-	-	-	
17	Application Fees	(24,680)	(24,680)	-	
18	Meter Test Revenues	-	-	-	
19	<b>Total Expense Credits</b>	<b>(2,134,269)</b>	<b>(2,134,269)</b>	-	
20	<b>Subtotal Expenses</b>	<b>448,698,789</b>	<b>433,258,029</b>	<b>(15,440,760)</b>	
21	Disposal Gain/Loss	-	-	-	
22	<b>Subtotal Rev Req't Excl Return</b>	<b>448,698,789</b>	<b>433,258,029</b>	<b>(15,440,760)</b>	
23	Return on Debt	94,504,489	93,295,649	(1,208,840)	2
24	Return on Equity	38,363,208	38,443,433	80,225	2
25	<b>Total Revenue Requirement</b>	<b>581,566,486</b>	<b>564,997,112</b>	<b>(16,569,374)</b>	

- 1 Includes \$1.5 million vacancy allowance adjustment, and \$3.04 million Business Transformation Project adjustment.
- 2 Includes the \$672,000 adjustment debt guarantee fee, the \$529,000 adjustment for reduced interest costs and an adjusted WACC of 5.62% resulting from the adjustments above.