

1 Q. Please provide the estimated rate impact to each Island Industrial Customer (i.e.
2 not only the average class impact) to January 1, 2018 including impact of final rates
3 and RSP riders, and including an analysis of the potential impact from deferral
4 accounts.

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7 A. Please see IC-NLH-018 Attachment 1 for the estimated January 1, 2018 Island
8 Industrial Customer rate impacts. Hydro notes that these impacts are subject to
9 change based on the final compliance rates, future fuel costs, foreign exchange
10 rates, customer load, and the Board's ruling on Hydro's proposed rate mitigation
11 and deferral account disposition proposals outlined in its May 3, 2017 and May 5,
12 2017 letters to the Board.

NEWFOUNDLAND AND LABRADOR HYDRO
Island Industrial Customer Rate Impact

Total Island Industrial Customers

| | 2015 Test Year | | Existing | | July 1, 2017 Forecast | | Percent Change | Jan 1, 2018 Forecast | | Percent Change |
|---------------------------------|----------------|----------|----------|-------------------|-----------------------|-------------------|----------------|----------------------|-------------------|----------------|
| | Billing Units | Unit | | \$ | | \$ | | | \$ | |
| Demand (kW) s | 1,064,800 | \$/kW/mo | 8.38 | 8,923,024 | 7.99 | 8,507,752 | | 7.99 | 8,507,752 | |
| Energy (MWh) s | 621,400 | ¢/kWh | 4.069 | 25,284,766 | 3.97 | 24,675,794 | | 3.97 | 24,675,794 | |
| Spec. Assigned | | \$ | 684,312 | 684,312 | 1,639,833 | 1,639,833 | | 1,639,833 | 1,639,833 | |
| | | | | 34,892,102 | | 34,823,379 | -0.2% | | 34,823,379 | 0.0% |
| RSP: Current Plan | 621,400 | ¢/kWh | - | - | (0.373) | (2,317,822) | | 0.046 | 285,844 | |
| RSP: Fuel Rider | 621,400 | ¢/kWh | - | - | 0.625 | 3,883,750 | | 1.029 | 6,394,206 | |
| RSP: Teck Rate | 20,400 | ¢/kWh | (1.141) | (232,764) | - | - | | - | - | |
| RSP: IC Surplus Credit (Demand) | 1,064,800 | \$/kW | (1.52) | (1,618,496) | - | - | | - | - | |
| RSP: IC Surplus Credit (Energy) | 621,400 | ¢/kWh | (0.294) | (1,826,916) | - | - | | - | - | |
| CDM Cost Recovery | 621,400 | ¢/kWh | - | - | 0.009 | 55,926 | | 0.009 | 55,926 | |
| Total Riders | | | | (3,678,176) | | 1,621,854 | | | 6,735,976 | |
| Firm plus RSP | | | | 31,213,926 | | 36,445,233 | 16.8% | | 41,559,355 | 14.0% |

Assumptions:

- RSP Adj rate including current plan recovery rate of (0.373) cents/kWh and fuel rider of 0.625 cents/kWh (based on fuel price of \$81.40/bbl) in effect from July - Dec 2017.
- Cumulative 2014-2017 IIC revenue deficiency of \$1.6 million recovered on class basis through IIC portion of segregated load variation in 2017.
- IIC portion of energy supply deferral of \$3.2 million recovered firstly through IIC portion of segregated load variation and remaining balance debited to current plan.
- Load variation under new energy sales method resumes in respective RSP customer balance current plans Sept 1, 2017.
- Fuel rider effective Jan 1 2018 based on fuel price projection of \$92.10/bbl assuming a foreign exchange rate of 1:1.

NEWFOUNDLAND AND LABRADOR HYDRO
Island Industrial Customer Rate Impact

Praxair

| | 2015 Test Year | | Existing | | July 1, 2017 Forecast | | Percent Change | Jan 1, 2018 Forecast | | Percent Change |
|---------------------------------|----------------|----------|----------|-------------------------|-----------------------|-------------------------|----------------|----------------------|-------------------------|----------------|
| | Billing Units | Unit | | \$ | | \$ | | | \$ | |
| Demand (kW) | 72,000 | \$/kW/mo | 8.38 | 603,360 | 7.99 | 575,280 | | 7.99 | 575,280 | |
| Energy (MWh) | 51,600 | ¢/kWh | 4.069 | 2,099,604 | 3.971 | 2,049,036 | | 3.971 | 2,049,036 | |
| Spec. Assigned | | \$ | | - | | - | | | - | |
| | | | | <u>2,702,964</u> | | <u>2,624,316</u> | -2.9% | | <u>2,624,316</u> | 0.0% |
| RSP: Current Plan | 51,600 | ¢/kWh | - | - | (0.373) | (192,468) | | 0.046 | 23,736 | |
| RSP: Fuel Rider | 51,600 | ¢/kWh | - | - | 0.625 | 322,500 | | 1.029 | 530,964 | |
| RSP: IC Surplus Credit (Demand) | 72,000 | \$/kW | (1.52) | (109,440) | - | - | | - | - | |
| RSP: IC Surplus Credit (Energy) | 51,600 | ¢/kWh | (0.294) | (151,704) | - | - | | - | - | |
| CDM Cost Recovery | 51,600 | ¢/kWh | - | - | 0.009 | 4,644 | | 0.009 | 4,644 | |
| Total Riders | | | | <u>(261,144)</u> | | <u>134,676</u> | | | <u>559,344</u> | |
| Firm plus RSP | | | | <u>2,441,820</u> | | <u>2,758,992</u> | 13.0% | | <u>3,183,660</u> | 15.4% |

NEWFOUNDLAND AND LABRADOR HYDRO
Island Industrial Customer Rate Impact

Vale

| | 2015 Test Year | | Existing | | July 1, 2017 Forecast | | Percent Change | Jan 1, 2018 Forecast | | Percent Change |
|---------------------------------|----------------|----------|----------|--------------------------|-----------------------|--------------------------|----------------|----------------------|--------------------------|----------------|
| | Billing Units | Unit | | \$ | | \$ | | | \$ | |
| Demand (kW) | 488,800 | \$/kW/mo | 8.38 | 4,096,144 | 7.99 | 3,905,512 | | 7.99 | 3,905,512 | |
| Energy (MWh) | 280,800 | ¢/kWh | 4.069 | 11,425,752 | 3.971 | 11,150,568 | | 3.971 | 11,150,568 | |
| Spec. Assigned | | \$ | | - | 480,243 | 480,243 | | 480,243 | 480,243 | |
| | | | | <u>15,521,896</u> | | <u>15,536,323</u> | 0.1% | | <u>15,536,323</u> | 0.0% |
| RSP: Current Plan | 280,800 | ¢/kWh | - | - | (0.373) | (1,047,384) | | 0.046 | 129,168 | |
| RSP: Fuel Rider | 280,800 | ¢/kWh | - | - | 0.625 | 1,755,000 | | 1.029 | 2,889,432 | |
| RSP: IC Surplus Credit (Demand) | 488,800 | \$/kW | (1.52) | (742,976) | - | - | | - | - | |
| RSP: IC Surplus Credit (Energy) | 280,800 | ¢/kWh | (0.294) | (825,552) | - | - | | - | - | |
| CDM Cost Recovery | 280,800 | ¢/kWh | - | - | 0.009 | 25,272 | | 0.009 | 25,272 | |
| Total Riders | | | | <u>(1,568,528)</u> | | <u>732,888</u> | | | <u>3,043,872</u> | |
| Firm plus RSP | | | | <u>13,953,368</u> | | <u>16,269,211</u> | 16.6% | | <u>18,580,195</u> | 14.2% |

NEWFOUNDLAND AND LABRADOR HYDRO
Island Industrial Customer Rate Impact

CBPP

| | 2015 Test Year | | Existing | | July 1, 2017 Forecast | | Percent Change | Jan 1, 2018 Forecast | | Percent Change |
|---------------------------------|----------------|----------|----------|------------------|-----------------------|------------------|----------------|----------------------|------------------|----------------|
| | Billing Units | Unit | | \$ | | \$ | | | \$ | |
| Demand (kW) | 108,000 | \$/kW/mo | 8.38 | 905,040 | 7.99 | 862,920 | | 7.99 | 862,920 | |
| Energy (MWh) | 44,800 | ¢/kWh | 4.069 | 1,822,912 | 3.971 | 1,779,008 | | 3.971 | 1,779,008 | |
| Spec. Assigned | | \$ | 347,167 | 347,167 | 870,898 | 870,898 | | 870,898 | 870,898 | |
| | | | | <u>3,075,119</u> | | <u>3,512,826</u> | 14.2% | | <u>3,512,826</u> | 0.0% |
| RSP: Current Plan | 44,800 | ¢/kWh | - | - | (0.373) | (167,104) | | 0.046 | 20,608 | |
| RSP: Fuel Rider | 44,800 | ¢/kWh | - | - | 0.625 | 280,000 | | 1.029 | 460,992 | |
| RSP: IC Surplus Credit (Demand) | 108,000 | \$/kW | (1.52) | (164,160) | - | - | | - | - | |
| RSP: IC Surplus Credit (Energy) | 44,800 | ¢/kWh | (0.294) | (131,712) | - | - | | - | - | |
| CDM Cost Recovery | 44,800 | ¢/kWh | - | - | 0.009 | 4,032 | | 0.009 | 4,032 | |
| Total Riders | | | | <u>(295,872)</u> | | <u>116,928</u> | | | <u>485,632</u> | |
| Firm plus RSP | | | | <u>2,779,247</u> | | <u>3,629,754</u> | 30.6% | | <u>3,998,458</u> | 10.2% |

NEWFOUNDLAND AND LABRADOR HYDRO
Island Industrial Customer Rate Impact

NARL

| | 2015 Test Year | | Existing | | July 1, 2017 Forecast | | Percent Change | Jan 1, 2018 Forecast | | Percent Change |
|---------------------------------|----------------|----------|----------|--------------------|-----------------------|-------------------|----------------|----------------------|-------------------|----------------|
| | Billing Units | Unit | | \$ | | \$ | | | \$ | |
| Demand (kW) | 354,000 | \$/kW/mo | 8.38 | 2,966,520 | 7.99 | 2,828,460 | | 7.99 | 2,828,460 | |
| Energy (MWh) | 223,800 | ¢/kWh | 4.069 | 9,106,422 | 3.971 | 8,887,098 | | 3.971 | 8,887,098 | |
| Spec. Assigned | | \$ | 150,976 | 150,976 | 89,293 | 89,293 | | 89,293 | 89,293 | |
| | | | | <u>12,223,918</u> | | <u>11,804,851</u> | -3.4% | | <u>11,804,851</u> | 0.0% |
| RSP: Current Plan | 223,800 | ¢/kWh | - | - | (0.373) | (834,774) | | 0.046 | 102,948 | |
| RSP: Fuel Rider | 223,800 | ¢/kWh | - | - | 0.625 | 1,398,750 | | 1.029 | 2,302,902 | |
| RSP: IC Surplus Credit (Demand) | 354,000 | \$/kW | (1.52) | (538,080) | - | - | | - | - | |
| RSP: IC Surplus Credit (Energy) | 223,800 | ¢/kWh | (0.294) | (657,972) | - | - | | - | - | |
| CDM Cost Recovery | 223,800 | ¢/kWh | - | - | 0.009 | 20,142 | | 0.009 | 20,142 | |
| Total Riders | | | | <u>(1,196,052)</u> | | <u>584,118</u> | | | <u>2,425,992</u> | |
| Firm plus RSP | | | | <u>11,027,866</u> | | <u>12,388,969</u> | 12.3% | | <u>14,230,843</u> | 14.9% |

NEWFOUNDLAND AND LABRADOR HYDRO
Island Industrial Customer Rate Impact

Teck

| | 2015 Test Year | | July 1, 2017 | | | | Percent Change | Jan 1, 2018 | | Percent Change |
|---------------------------------|----------------|----------|--------------|------------------|----------|------------------|----------------|-------------|------------------|----------------|
| | Billing Units | Unit | Existing | \$ | Forecast | \$ | | Forecast | \$ | |
| Demand (kW) | 42,000 | \$/kW/mo | 8.38 | 351,960 | 7.99 | 335,580 | | 7.99 | 335,580 | |
| Energy (MWh) | 20,400 | ¢/kWh | 4.069 | 830,076 | 3.971 | 810,084 | | 3.971 | 810,084 | |
| Spec. Assigned | | \$ | 186,169 | 186,169 | 199,399 | 199,399 | | 199,399 | 199,399 | |
| | | | | 1,368,205 | | 1,345,063 | -1.7% | | 1,345,063 | 0.0% |
| RSP: Current Plan | 20,400 | ¢/kWh | - | - | (0.373) | (76,092) | | 0.046 | 9,384 | |
| RSP: Fuel Rider | 20,400 | ¢/kWh | - | - | 0.625 | 127,500 | | 1.029 | 209,916 | |
| RSP: Teck Rate | 20,400 | ¢/kWh | (1.14) | (232,764) | - | - | | - | - | |
| RSP: IC Surplus Credit (Demand) | 42,000 | \$/kW | (1.52) | (63,840) | - | - | | - | - | |
| RSP: IC Surplus Credit (Energy) | 20,400 | ¢/kWh | (0.294) | (59,976) | - | - | | - | - | |
| CDM Cost Recovery | 20,400 | ¢/kWh | - | - | 0.009 | 1,836 | | 0.009 | 1,836 | |
| Total Riders | | | | (356,580) | | 53,244 | | | 221,136 | |
| Firm plus RSP | | | | 1,011,625 | | 1,398,307 | 38.2% | | 1,566,199 | 12.0% |