

1 Q. **Reference: Application**

2 In Order No. P.U. 16(2019) the Board directed Hydro to “file its next GRA no later than
3 September 30, 2020 for rates based on a 2021 Test Year”. Hydro requested a delay in the filing
4 owing to uncertainties relating to Muskrat Falls and rate mitigation and the resulting inability of
5 Hydro to “prepare a GRA filing that would reasonably reflect the costs that Hydro will incur in
6 providing electrical service to its customers for use in determining proposed customer rates.”
7 (see April 15, 2019 letter from Hydro to the Board titled “Application to Delay the Filing of
8 Newfoundland and Labrador Hydro’s Next General Rate Application”). By Order P.U. 15 (2020)
9 the Board approved Hydro’s request to delay the filing of its next General Rate Application.

10 a) Please provide an update. Does Hydro now have the necessary information, and if so,
11 when will Hydro file its next GRA?

12 b) Based on the information now available on the Government’s rate mitigation policy
13 (domestic island customer rate target of 14.7 cents/kWh) what is Hydro’s best estimate
14 of rates in 2022, 2023 and 2024?

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17 A. a) As per correspondence filed with the Board of Commissioners of Public Utilities (“Board”) on
18 August 27, 2021,¹ Newfoundland and Labrador Hydro (“Hydro”) expects the earliest time
19 frame for filing its next general rate application (“GRA”) to be the second quarter of 2022.

20 Hydro will continue to provide quarterly updates to the Board and parties on the timing of
21 its next GRA as per Board Order No. P.U. 15(2020)² and will confirm a more defined time
22 frame for filing of its next GRA when further information is available.

23 b) Hydro is unable to provide an estimate of rates for 2022, 2023, and 2024 at this time.
24 Further details on provincial government’s rate mitigation plan are necessary to inform

¹ “Items Impacting the Delay of Hydro’s Next General Rate Application – Further Update,” Newfoundland and Labrador Hydro, August 27, 2021.

² *Public Utilities Act*, RSNL 1990, c P-47, Board Order P.U. 15(2020), Board of Commissioners of Public Utilities, May 27, 2020.

1 future rate forecasts. However, the provincial government release indicated a projected
2 residential rate of 14.7 cents per kWh in 2022.