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August 8, 2022

Board of Commissioners of Public Utilities Prince Charles Building 120 Torbay Road, P.O. Box 21040 St. John's, NL A1A 5B2

Attention: Ms. Cheryl Blundon

Director of Corporate Services and Board Secretary

Re: Newfoundland and Labrador Hydro's Application for July 1, 2022 Customer Rates – Hydro's Reply

On June 17, 2022, Newfoundland and Labrador Hydro ("Hydro") filed an application with the Board of Commissioners of Public Utilities ("Board") requesting approval of rate changes applicable to Hydro's Island Interconnected, L'Anse-au-Loup, and Non-Government Isolated Diesel customers ("Rural Customers"), effective July 1, 2022 ("Application").¹ The proposed rate changes are based on the changes in Newfoundland Power Inc.'s ("Newfoundland Power") customer rates effective July 1, 2022, as approved by the Board in Order No. P.U. 20(2022).²

On August 2, 2022, Newfoundland Power provided correspondence in support of Hydro's Application. Newfoundland Power advised that, in its view, there is no conflict between the Policies for Automatic Rate Changes implemented in the Application, and Order in Council OC2013-343, which provides that the costs of the Muskrat Falls Project be recovered only from Island Interconnected customers. Newfoundland Power also advised that, absent a change in current government policy, any reduction in the Rural Deficit would be beneficial for its customers.

No additional party comments were received.

Hydro submits that its Application complies with Order in Council OC2003-347 and Section 16 of Hydro's Rates, Rules and Regulations, Policies for Automatic Rate Changes, and is not in conflict with Order in Council OC2013-343. Therefore, Hydro respectfully requests that the Board approve Hydro's Application as submitted.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Shirley A. Walsh

Senior Legal Counsel, Regulatory

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¹ "Newfoundland and Labrador Hydro's Application for July 1, 2022 Customer Rates," Newfoundland and Labrador Hydro, June 17, 2022.

² Public Utilities Act, RSNL 1990, c P-47, Board Order No. P.U. 20(2022), Board of Commissioners of Public Utilities, June 29, 2022.

Ms. C. Blundon Public Utilities Board

ecc:

Board of Commissioners of Public Utilities

Jacqui H. Glynn PUB Official Email

Consumer Advocate

Dennis M. Browne, QC, Browne Fitzgerald Morgan Avis & Wadden Stephen F. Fitzgerald, Browne Fitzgerald Morgan Avis & Wadden Sarah G. Fitzgerald, Browne Fitzgerald Morgan Avis & Wadden Bernice Bailey, Browne Fitzgerald Morgan Avis & Wadden Bernard M. Coffey, QC

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