Q. **Reference: Application**

a) Did Hydro discuss the rate increases/decreases proposed in the 2026 GRA discussed with Newfoundland Power and the Island Industrial Customers prior to filing?

b) Were the rate increases/decreases proposed in the 2026 GRA discussed with government prior to filing, particularly the optics of imposing a 2.25% rate increase on Newfoundland Power Domestic customers, some of whom are on fixed incomes, when granting a 14.3% rate decrease for Island Industrial Customers?

A. **a)** Please refer to Newfoundland and Labrador Hydro's ("Hydro") response to part e) of CA-NLH-001 of this proceeding.

b) Hydro discussed rate increases proposed in the 2026 General Rate Application ("GRA") for Labrador Interconnected and Labrador Industrial customers with Government of Newfoundland and Labrador. Rate changes for both Newfoundland Power Inc. and Island Industrial Customers were not discussed as they are in accordance with the rate mitigation plan announced in 2024. Hydro recognizes that the proposals in the 2026 GRA result in differing rate impacts among customer classes. As noted in Hydro's response to part a) of CA-NLH-001 of this proceeding, the proposed decrease for Island Industrial Customers is not the result of a discretionary decision by Hydro to provide preferential treatment to that customer class. Rather, it results from the application of the Cost of Service Study, including the allocation of rate mitigation funding among customer classes and the resulting revenue responsibility for Island Industrial Customers.