

Q. Reference: 2026 GRA – 2026 GRA Volume 1, Table 1-1 Estimated July 1, 2027, Rates Increases by Customer Class

Citation #1: 2026 GRA Volume 1, Table 1-1, p. 54 pdf

Table 1-1: Estimated July 1, 2027 Rates Increases by Customer Class (%)⁴¹

Customer Class	Estimated July 1, 2027 Rate Change Relative to 2026 Rates ⁴²
Utility ⁴³	3.3
Island Industrial ⁴⁴	(14.3)
Rural Labrador Interconnected ⁴⁵	2.25

Footnote 45 reads: “Labrador Interconnected System rates reflect the rate smoothing of 2.25% per year for four years.”

Citation #2:

NLH Long-term Load Forecast Review – 2023, page vi

“The three Labrador Interconnected System forecast scenarios also project overall load growth for Labrador. The compound annual growth rate ranges from 0.1% in the Reference Case to 9.1% in the High Growth Scenario, highlighting the potential for significant load growth on that system stemming from existing Industrial customers.” [emphasis added]

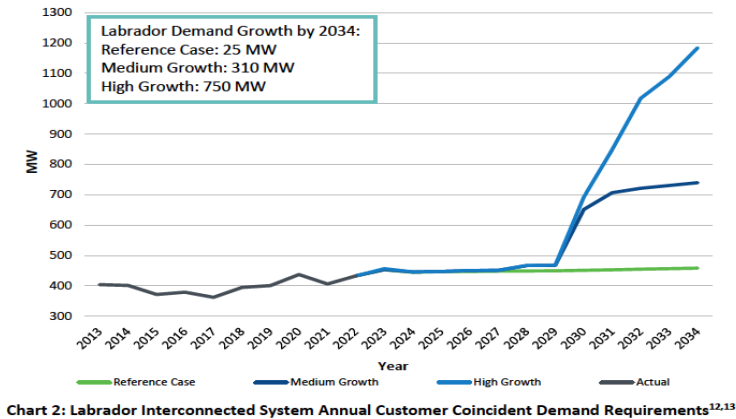


Chart 2: Labrador Interconnected System Annual Customer Coincident Demand Requirements^{12,13}

Citation #3:

1 2026 GRA Volume 1, Schedule A-II, p. 212 pdf.

Schedule A-II: Actual and Forecast Electricity Requirements for 2019–2027 — Labrador Interconnected System
(Industrial Customers — IOC, Tacora, and Total, 2024–2027)

	2024 Actual ²		2025 Forecast ³		2026 Forecast ⁴		2027 Test Year ⁴	
	MW	GWh	MW	GWh	MW	GWh	MW	GWh
Iron Ore Company of Canada	255.3	1,547.8	248.5	1,554.4	262.0	1,575.4	262.0	1,575.4
Tacora Resources Inc.	54.8	316.4	55.1	310.9	55.0	327.0	55.0	327.0
Total Industrial Customers	310.1	1,864.1	303.6	1,865.3	317.0	1,902.4	317.0	1,902.4

2 Preamble:

3 Table 1-1 in Volume 1 of the GRA indicates that Hydro proposes to smooth the rate increase in
4 Labrador over the years 2027 through 2030 inclusive, and presumably any rate increases
5 thereafter will be covered in a subsequent rate application. However, the 2023 Load Forecast
6 for Labrador shows beginning in 2029 “the potential for significant load growth on that system
7 [the LIS] stemming from existing Industrial customers.” If this magnitude and timing of load
8 growth are still contemplated by Hydro, it is unclear what preparations are being made by NLH
9 during the period covered by the current GRA (i.e. 2027-2030). Meeting a load growth of several
10 hundred megawatts or more – whether through investments in new generation and
11 transmission, recontracting of existing facilities, or some combination – would very likely entail
12 significant rate increases for LIS customers.

13 The 2026 GRA LIS load forecast shows combined load growth for the Iron Ore Company of
14 Canada and Tacora Resources of 6.9 MW and 38.3 GWh/year from 2024 to 2027.

- 15 **a)** Is the load growth of IOC and Tacora described in the Preamble from 2024 to 2027 their
16 desired load growth, or the constrained growth resulting from limitations on the
17 Labrador West transmission network and/or from the lack of sufficient energy and
18 capacity on the LIS?

- 1 **b)** If it is the constrained load growth, would relieving these constraints result
2 in substantially greater load growth?
- 3 **c)** Please provide updated tabular and graphical actuals and forecasts from 2015 to 2035
4 for reference, medium and high growth scenarios for the LIS in terms of i) annual
5 customer coincident demand and ii) annual energy demand.
- 6 **d)** Please provide an update on any requests for additional power and energy from existing
7 Industrial customers on the LIS, including the anticipated timing and magnitude of those
8 requests.
- 9 **e)** Please provide an update on any requests for additional power and energy from new
10 Industrial customers on the LIS, including the anticipated timing and magnitude of those
11 requests.
- 12 **f)** Please describe the planning for additional generation and transmission currently being
13 undertaken by NLH to meet the potentially increased demand forecast as early as 2029
14 for the LIS.
- 15 **g)** If the answer to any of the above is that this is not the proceeding in which this issue will
16 be dealt with, please state, for that issue, in which proceeding will the issues be
17 addressed by NLH and the Board?

- 18
- 19
- 20 A. **a)** The Iron Ore Company of Canada (“IOC”) and Tacora Resources Inc. (“Tacora”) load
21 forecasts reflect requested customer Power on Order if received and historical actuals.
- 22 **b)** Newfoundland and Labrador Hydro (“Hydro”) is unable to comment on the potential future
23 operations of Industrial customers should additional transmission capacity become
24 available.
- 25 **c)** Please refer to Hydro’s response to part g) of LAB-NLH-001 of this proceeding.

1 **d)** As part of the Labrador West Transmission Expansion Project, Hydro is currently working
2 with a number of proponents to complete front-end engineering and design on a
3 transmission solution for the region. Any requests are being evaluated as part of Hydro's
4 broader planning activities for Labrador West and are expected to be associated with future
5 mine and processing expansions over the medium term. Final in-service dates remain
6 subject to customer project schedules, system studies, and infrastructure development
7 requirements. It is Hydro's opinion that the information requested is not necessary for a
8 satisfactory understanding of the matters to be considered in the 2026 General Rate
9 Application ("GRA") as required by the *Board of Commissioners of Public Utilities*
10 *Regulations, 1996*.

11 **e)** Please refer to Hydro's response to part d).

12 **f)** Hydro assesses its plan to meet resource adequacy and system reliability requirements
13 within the ongoing *Reliability and Resource Adequacy Study Review* proceeding ("RRA Study
14 Review") before the Board of Commissioners of Public Utilities. Hydro will address
15 expansion requirements on the Labrador Interconnected System in a future filing as part of
16 the *RRA Study Review*. It is Hydro's opinion that the information requested is not necessary
17 for a satisfactory understanding of the matters to be considered in the 2026 GRA as
18 required by the *Board of Commissioners of Public Utilities Regulations, 1996*.

19 **g)** Not applicable.