

1 Q. **Reference: Volume I, Section 6.2.3, Section 6.11, and Volume 3, Exhibit 20, Issue Topic:**
2 **Newfoundland Power Generation Credit**

3 Would Hydro agree that maintaining the current generation credit testing would be a
4 reasonable and measured approach associated with the implementation of a new hydraulic
5 credit methodology, with the potential implementation of a separate test approach to be
6 considered in Hydro's next GRA when historical data under the new approach is available?

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9 A. Under the proposed methodology, Newfoundland and Labrador Hydro ("Hydro") has multiple
10 years of historic data that it has assessed to form the basis of the proposed new hydraulic credit
11 methodology. It is Hydro's opinion that because hydraulic and thermal credits are proposed to
12 have two separate methodologies in Hydro's 2026 General Rate Application ("GRA"), it stands to
13 reason that a separate test approach is warranted, rather than postponing it to a future GRA.