

Q. Provide a comparison of the July 1, 2027 projected cent per kWh increase in the Domestic rate for the Island Interconnected System with the Domestic rate on the Labrador Interconnected System assuming no rate smoothing is implemented for the Labrador Interconnected System.

A. Table 1 compares the Domestic rates for the Island Interconnected System, increased by 2.25% and the Labrador Interconnected System increase of 8.54%, with no rate smoothing effective July 1, 2027.

**Table 1: Labrador and Island Interconnected System
Domestic Rate Impact Comparison – No Labrador Smoothing**

	Island Interconnected	Labrador Interconnected
Average Use (kWh/month)	1,255	2,500
Average Rate July 1, 2026 (¢/kWh)	16.72	3.38
Average Rate July 1, 2027 (¢/kWh)	17.09	3.67
¢/kWh increase	0.38	0.29
Average Annual Bill Impact (\$)	56.64	86.53

Though the Labrador Interconnected System has a higher percentage increase than the Island Interconnected System, the result is a lower ¢/kWh increase for the Labrador Interconnected System due to the rates being significantly lower than Island Interconnected rates.