

1 Q. (Reference 2017 GRA Volume I, page 5.11) It is stated (lines 15 to 18) *“The Island*
2 *Industrial Customers indicated support for the proposed change in methodology;*
3 *Hydro will also be initiating discussions with Newfoundland Power and the*
4 *Consumer Advocate in an attempt to negotiate a settlement on this issue.”* Hydro
5 goes on to say (lines 20 to 21) *“Hydro proposes to implement this revision to its cost*
6 *of service methodology to become effective January 1, 2018 on an interim basis.”*
7 Why has Hydro discussed the change with the Island Industrial Customers, but not
8 Newfoundland Power and the Consumer Advocate? Why is Hydro proposing the
9 change effective January 1, 2018 prior to discussions with Newfoundland Power
10 and the Consumer Advocate? When does Hydro intend to discuss this change with
11 Newfoundland Power and the Consumer Advocate?

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14 A. Hydro’s discussions began with the Island Industrial Customers due to the material
15 impact this potential change will have on their costs.¹

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17 Hydro intends to discuss this issue with the other parties during settlement
18 discussions, currently scheduled for early January 2018.

¹ The proposed change in specifically assigned charge is forecast to have a 1.6% impact on Island Industrial Customer billings in 2018.