

1 Q. (Compliance Filing - Additional Cost of Service Information) Hydro has filed with the  
2 Board three cost of service studies under its 2017 GRA including the original cost of  
3 service study that might be referred to as the “Deferral Account Scenario”, a  
4 “Revised Deferral Account Scenario” incorporating updated fuel prices based on the  
5 fall 2017 fuel price update, and an “Expected Supply Scenario” including off-island  
6 purchases and fuel prices based on the fall 2017 fuel price update. Hydro is also  
7 proposing to update information to reflect another update to the fuel price forecast  
8 in April 2017. We note that on page 16, line 4 of the report Hydro states “*if*” the  
9 Board approved use of the Expected Supply Scenario. Given that this is Hydro’s  
10 application, which cost of service study and customer rates is Hydro proposing for  
11 the Board’s consideration? Please provide support for your proposal.

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14 A. Hydro has not amended its 2017 General Rate Application (GRA) and has proposed  
15 the Deferral Account Scenario. If the Board determines that the Deferral Account  
16 Scenario should reflect a revised fuel forecast, such a decision will not change  
17 Hydro’s proposed approach to establishing Test Year revenue requirements.

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19 The filing of Additional Cost of Service Information on March 22, 2018 was provided  
20 in compliance with Order No. P.U. 2(2018). This filing will enable the Board to  
21 compare the Expected Supply Scenario and the Deferral Account Scenario and  
22 evaluate which approach is most reasonable for establishing customer rates during  
23 the Muskrat Falls pre-commissioning period. The information provided in  
24 compliance with Order No. P.U. 2(2018) does not represent a refiling of Hydro’s  
25 GRA.