

1 Q. Given that Hydro believes a Board decision on the 2017 GRA is unlikely before year-  
2 end and possibly not until 2019, is Hydro proposing a new schedule for the 2019  
3 GRA? Is a 2019 GRA needed given that Muskrat Falls will not be placed in service  
4 until late 2020? What would be the repercussions of waiting until 2020 to file the  
5 next GRA?

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8 A. The timing of filing Hydro's next GRA is dependent on the timing of the conclusion  
9 of the 2017 GRA and the Cost of Service Methodology review. As indicated in NP-  
10 NLH-095, Hydro planned to file its Cost of Service Methodology application in the  
11 third quarter of 2018 with a projected end date, including an order of the Board, of  
12 16 March 2019. However, with the ongoing delays in completing the 2017 GRA, the  
13 filing of the Cost of Service Methodology application is now expected by November  
14 15, 2018 (see 2017 GRA Settlement Agreement).

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16 Hydro was planning to file its 2019 GRA by June 30, 2019, which will include  
17 recovery of Muskrat Falls Project costs, with the requirement for new customer  
18 rates projected to be in effect September 1, 2020.<sup>1</sup> However, the delay in  
19 concluding the 2017 GRA and the Cost of Service Methodology Review will require a  
20 subsequent delay in filing the 2019 GRA. Given the projected in-service date for the  
21 Muskrat Falls Project is September 1, 2020, a 2019 GRA filing date prior to the end  
22 of 2019 is desirable to provide a reasonable opportunity for the required regulatory  
23 process.

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<sup>1</sup> See Hydro's response to NP-NLH-095.