

- 1 Q. **(2018 Cost Deferral and Interim Rates Application)** Please provide a table listing  
 2 each deferral account in 2019 and beyond, as appropriate, for Island customers.  
 3 Please identify the name of the deferral account, specify whether it is approved or  
 4 proposed, and show the forecast impact on rates in cents/kWh in each year.  
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 6  
 7 A. Please see Table 1 for a listing of Hydro’s approved deferral accounts, their  
 8 balances, and associated rate impacts.

**Table 1: Hydro’s Existing Supply Cost Deferral Accounts, Account Balances,  
 and Customer Rate Impacts**

Supply Cost Deferral Account	Balance Pending Approval (\$ Millions)	Newfoundland Power Impact (¢/kWh)	Industrial Customer Impact (¢/kWh)
Isolated Systems	(3.3)		
Energy Supply Cost Variance	58.8		
Holyrood Conversion Rate	<u>9.9</u>		
<b>Subtotal<sup>1</sup></b>	<b>65.4</b>	<b>0.618<sup>2</sup></b>	<b>0.426<sup>1</sup></b>
Rate Stabilization Plan <sup>3</sup>	NA	0.127	0.302
Conservation and Demand Management <sup>2</sup>	NA	0.022	0.010
Labrador-Island Link and Labrador Transmission Assets Pre-Commissioning Costs	NA	NA	NA

<sup>1</sup> As of December 31, 2017.

<sup>2</sup> Based on 20-month recovery, consistent with the July 2018 Supplemental Settlement Agreement.

<sup>3</sup> Reflected in existing customer rates for Newfoundland Power and projected 2019 RSP rate for Island Industrial customers.

- 1 Hydro has applied for modification of the definition of the Energy Supply Cost Variance
- 2 Deferral Account (the Revised Energy Supply Cost Variance Deferral Account) in the 2017
- 3 General Rate Application. The modification is for the inclusion of variances from Test Year
- 4 forecast off-island purchases.