

1 Q. **Rates and Regulations**

2 Page 5.8, lines 12-13 – Hydro is proposing to discontinue the generation credit
3 agreement with CBPP on December 31, 2018. What amounts are included in the
4 2018 TY and the 2019 TY associated with this agreement and any potential
5 replacement for it in 2019?

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8 A. There is no impact on the 2018 or the 2019 Test Year revenue requirements
9 associated with this agreement and no projected impacts that will result from the
10 discontinuance of the generation credit agreement with Corner Brook Pulp and
11 Paper (CBPP).

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13 If the current agreement is discontinued without replacement at the end of 2018, it
14 is possible that CBPP could increase its non-firm purchases from Hydro. Due to the
15 uncertainty in non-firm purchases in this circumstance, Hydro did not reflect
16 revenues from this source in the 2019 Test Year. There is similar uncertainty if any
17 replacement agreement would have any impact on 2019 revenue requirement.