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April 25, 2022

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Ms. Cheryl Blundon
Director of Corporate Services and Board Secretary

Dear Ms. Blundon:

Re: Supply Cost Variance Deferral Account Monthly Report

Further to correspondence from the Board of Commissioners of Public Utilities accompanying Board Order No. P.U. 4(2022),¹ please find enclosed Newfoundland and Labrador Hydro's ("Hydro") report on the activity and balance of the Supply Cost Variance Deferral Account to the end of March 2022.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Shirley A. Walsh
Senior Legal Counsel, Regulatory
SAW/sk

Encl.

ecc:

Board of Commissioners of Public Utilities

Jacqui H. Glynn
PUB Official Email

Consumer Advocate

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Joshua H. Favel, Olthuis Kleer Townshend LLP

Newfoundland Power Inc.

Dominic J. Foley
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Shawn Kinsella

Praxair Canada Inc.

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Island Industrial Customer Group

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Denis J. Fleming, Cox & Palmer
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¹ *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 4(2022), Board of Commissioners of Public Utilities, February 21, 2022.



Supply Cost Variance Deferral Account Report

March 31, 2022

April 25, 2022



A report to the Board of Commissioners of Public Utilities

Supply Cost Variance Deferral Account
Summary
March 31, 2022

	Supply Cost Variance Deferral Account Balance (\$)	Utility Balance (\$)	Industrial Balance (\$)	Total To Date (\$)
Opening Balance	18,989,681	(729,396)	-	18,260,285
Adjustment ¹	-	(123,374)	-	(123,374)
Adjusted Opening Balance	18,989,681	(852,770)	-	18,136,911
January	35,641,446	(1,702,896)	-	33,938,550
February	57,714,673	(2,430,096)	-	55,284,577
March	80,220,124	(3,208,607)	-	77,011,517
April				
May				
June				
July				
August				
September				
October				
November				
December				

¹ There was a correction to the volume calculation for the November and December 2021 rural rate alteration, which is reflected as an adjustment to the opening balance for 2022.

Supply Cost Variance Deferral Account
Section A: Summary
March 31, 2022

Opening Balance	Muskat Falls Project Cost Variance (\$)	Rate Mitigation Fund (\$)	Project Cost Recovery		Holyhood TGS ¹ Fuel Cost Variance (\$)	Other IIS ² Supply Cost Variance (\$)	Net Revenue From Exports Variance (\$)	Transmission Tariff Revenue Variance (\$)		Load Variation		Greenhouse Gas Credit Revenues Variance (\$)	Subtotal Monthly Variances (\$)	Financing Charges (\$)	Transfers (\$)	Cumulative Net Balance (\$)
			Utility (\$)	Industrial (\$)				Utility Variance (\$)	Industrial Variance (\$)							
	39,876,511	-	-	-	(26,879,560)	(3,220,124)	-	(700,298)	10,532,226	2,485,599	(3,096,317)	18,998,037	(8,356)	-	-	18,989,681
January	32,631,191	-	-	-	(23,253,578)	(2,235,242)	-	(818,277)	9,116,758	1,182,038	-	16,622,890	28,875	-	-	35,641,446
February	32,657,316	-	-	-	(13,670,459)	(3,683,542)	(1,733,737)	(970,188)	8,443,002	976,640	-	22,019,032	54,195	-	-	57,714,673
March	17,324,542	-	-	-	11,038,375	(6,506,569)	(2,523,522)	(303,488)	2,224,383	1,163,972	-	22,417,693	87,758	-	-	80,220,124
April																
May																
June																
July																
August																
September																
October																
November																
December																
Year-to-Date	82,613,049	-	-	-	(25,885,662)	(12,425,353)	(4,257,259)	(2,091,953)	19,784,143	3,322,650	-	61,059,615	170,828	-	-	61,230,443
Total	122,489,560	-	-	-	(52,765,222)	(15,645,477)	(4,257,259)	(2,792,251)	30,316,369	5,808,249	(3,096,317)	80,057,652	162,472	-	-	80,220,124

¹ Holyhood Thermal Generating Station ("Holyhood TGS").

² Island Interconnected System ("IIS").

Supply Cost Variance Deferral Account
Section B: Utility Customer Balance
March 31, 2022

	Allocation	Financing	Transfers	Cumulative
	Rural Rate	Charges		Net
	Alteration¹			Balance
	(\$)	(\$)	(\$)	(\$)
Opening Balance	(729,046)	(350)	-	(729,396)
Adjustments	(123,374)	-	-	(123,374)
Adjusted Opening Balance ²	(852,420)	(350)	-	(852,770)
January	(848,829)	(1,297)	-	(1,702,896)
February	(724,611)	(2,589)	-	(2,430,096)
March	(774,816)	(3,695)	-	(3,208,607)
April				
May				
June				
July				
August				
September				
October				
November				
December				
Year-to-Date	(2,348,256)	(7,581)	-	(2,355,837)
Total	(3,200,676)	(7,931)	-	(3,208,607)

¹The rural rate alteration is allocated between Utility and Labrador Interconnected customers in the same proportion that the rural deficit was allocated in the approved 2019 Cost of Service Study, which is 96.1% and 3.9%, respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).

No other transactions will be applied to this balance until further approval is obtained from the Board of Commissioners of Public Utilities.

²There was a correction to the volume calculation for the November and December 2021 Rural Rate Alteration, which is reflected as an adjustment to the opening balance for 2022.

Supply Cost Variance Deferral Account
 Section B: Industrial Customers Balance¹
 March 31, 2022

	Financing Charges (\$)	Transfers (\$)	Cumulative Net Balance (\$)
Opening Balance	-	-	-
January	-	-	-
February	-	-	-
March	-	-	-
April			
May			
June			
July			
August			
September			
October			
November			
December			
Year-to-Date	-	-	-
Total	-	-	-

¹ No transactions will be applied to this balance until further approval is obtained from the Board of Commissioners of Public Utilities.