

1 Q. Further to IIC-NLH-17 please explain if the incoming GRA will have 2022 as a test year. If
2 confirmed, please explain why Hydro is proposing accelerated depreciation now instead of
3 proposing it in the GRA.

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6 A. Newfoundland and Labrador Hydro (“Hydro”) is currently anticipating that 2022 will not be a
7 test year in the next general rate application (“GRA”) filing as Hydro will not have adequate
8 information on the rate mitigation plan to file its GRA until 2022.¹ As a result, the depreciation
9 costs for the Holyrood Thermal Generating Station are projected to be calculated in 2022 using
10 the accelerated depreciation approach that was approved in Hydro’s last GRA.

¹ As communicated in “Items Impacting the Delay of Hydro’s Next General Rate Application – Further Update,” Newfoundland and Labrador Hydro, August 27, 2021.