

1 Q. **Reference: Responses to Requests for Information NP-NLH-007 and NP-NLH-010.**

2 Please outline the existing supply cost deferral amounts as of December 31, 2021 from response  
3 to Request for Information NP-NLH-007 that Hydro has included in its estimated customer rate  
4 reduction of 8% on July 1, 2022 due to the update of the Rate Stabilization Plan. What 2021  
5 supply cost deferral amounts are proposed to be deferred until a rate change plan is developed?

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8 A. The existing Supply Cost Deferral accounts are proposed to be closed upon the effective date of  
9 the proposed Supply Cost Variance Deferral Account. Therefore, no balances in the existing  
10 Supply Cost Deferral accounts as of December 31, 2021 are included in the estimated customer  
11 rate reduction of 8% on July 1, 2022. Upon implementation of the proposed Supply Cost  
12 Variance Deferral Account, the RSP<sup>1</sup> Utility Plan balance will be transferred to the Utility balance  
13 component of the Supply Cost Variance Deferral Account. Transfers to this balance on a monthly  
14 basis will reflect the monthly transactions related to the RSP rate rider, the monthly allocation of  
15 the Rural Rate Alteration, and finance charges attributed to the Current Plan balance.

16 The allocation and disposition of balances in the Supply Cost Variance Deferral Account with the  
17 exception of the Current Plan balance components will be deferred subject to future order of  
18 the Board of Commissioners of Public Utilities. The balance in the Current Plan component as of  
19 March 31, 2022, in addition to the conclusion of the RSP fuel rider, will be dealt with in the July  
20 1, 2022 rate change to Newfoundland Power Inc.

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<sup>1</sup> Rate Stabilization Plan ("RSP").