

1 Q. **Re: Non-Firm Rate Presentation, page 18**

2 Citation 1 (Presentation, page 18):

3 The table below presents the calculation of forecast on-peak and off-peak prices for
 4 February 2023 and July 2023.

- 5 •Assumes 75% export deliveries to New York and 25% to New England.
- 6 •Actual rate will not be established until 21st day preceding the billing month.

7 Citation 2 (LAB-NLH-001, Table 1):

Table 1: Monthly Export Volumes (MWh)
2018–November 2022

	New England (MWh)					New York (MWh)				
	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
January	28,714	5,193	28,889	28,472	26,868	54,491	3,162	20,354	19,442	11,066
February	24,138	18,616	29,012	27,046	23,259	47,217	14,955	10,651	18,827	54,738
March	29,040	20,138	31,228	31,047	26,993	75,343	10,217	18,710	18,233	124,649
April	31,754	23,435	30,672	36,860	28,303	79,571	17,870	61,575	44,916	101,680
May	41,760	36,019	34,097	33,511	29,158	101,999	81,483	84,525	67,759	73,224
June	27,896	33,356	36,462	33,729	26,451	111,183	106,921	106,679	97,643	130,160
July	37,135	34,880	35,357	34,064	37,867	117,364	123,963	131,898	116,543	114,982
August	31,819	34,801	35,349	37,376	41,147	132,632	125,760	125,617	116,364	114,197
September	34,093	29,354	21,066	17,675	24,664	119,704	121,187	132,483	131,160	122,763
October	30,520	26,973	32,424	30,288	42,538	57,065	85,335	86,136	97,448	86,452
November	38,330	30,234	38,108	28,895	39,149	56,917	69,172	20,582	24,301	87,064
December	29,952	29,393	29,978	29,126		14,170	45,674	24,097	23,645	

- 8 a) Please confirm that, for many months in the historical record provided in Citation 2,
- 9 sales to New England account for considerably more than 25% of monthly export
- 10 volumes.
- 11 b) Please confirm that, for most winter months in the historical record provided in Citation
- 12 2, sales to New England are actually greater than sales to New York.
- 13 c) Please confirm that actual non-firm prices will be derived from actual sales prices and
- 14 from actual weightings between the different export markets for the month prior.

17 A. a) There any many months in which energy sales to New England are greater than 25% of total
 18 monthly exports. Newfoundland and Labrador Hydro’s (“Hydro”) response to BKL-NLH-051

1 of this proceeding indicates that Hydro is forecasting a market export split of 60% New
2 England and 40% New York for the years 2024–2026.

3 **b)** In the information presented, New England volumes are sometimes greater than New York
4 volumes in the winter months. The volume variance between export markets is the reason
5 behind Hydro’s proposal to include a market weight adjustment in the non-firm price setting
6 process.

7 **c)** It is not confirmed. The non-firm price will not use actual prices but a market forecast price
8 for the applicable month. The proposed non-firm sales price will be determined by using
9 market based prices obtained on the 21st of the previous month and then use the volume
10 data from the most recent monthly actual export sales to each market to adjust for market
11 weight volume. For example, on June 21st Hydro will obtain the July market price forecast
12 for each market; Hydro will then use May’s export volume to determine the weighting
13 applied to each market price to determine the non-firm price. Please refer to Hydro’s
14 response to PUB-NLH-015 of this proceeding.