

- 1 **Q. (Application Volume 1, page 3-5) It is stated “Power supply costs are expected to**
2 **increase by approximately \$14.7 million from 2019 to 2023. This is largely attributable**
3 **to an increase in Hydro’s Utility Rate, partially offset by declining energy sales.”**
4 **What wholesale power rates are reflected in this calculation and what is assumed**
5 **with respect to Muskrat Falls and rate mitigation?**
6
- 7 A. Newfoundland Power’s power supply costs in 2019 reflect the Newfoundland and
8 Labrador Hydro (“Hydro”) Utility rate approved by the Board in Order No. P.U. 15
9 (2018) and Order No. P.U. 30 (2019).¹
10
- 11 The Hydro Utility rate used to determine Newfoundland Power’s power supply costs in
12 the 2022 and 2023 test years was approved by the Board in Order No. P.U. 30 (2019).
13
- 14 Newfoundland Power’s *2022/2023 General Rate Application* does not include
15 assumptions related to Hydro’s Utility rate following the integration of the Muskrat Falls
16 Project. See response to Request for Information CA-NP-004 and part (b) of response to
17 Request for Information CA-NP-005.

¹ The Hydro Utility rate approved in Order No. P.U 15 (2018) was approved on an interim basis and in effect from July 1, 2018 to September 30, 2019. It was approved on a final basis in Order No. P.U. 30 (2019).