

- 1 **Q. (Application Volume 1, Schedule A, page 2 of 2) What is the basis for the 1.297**  
2 **cents/kWh discount for the optional domestic seasonal rate? Does this reflect pre-**  
3 **or post-Muskrat Falls commissioning?**  
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- 5 A. The Domestic Seasonal – Optional rate includes: (i) an adjustment of -1.297 ¢/kWh to be  
6 applied to the standard Domestic rate for customer usage during the billing months of  
7 May to November; and (ii) an adjustment of +0.953 ¢/kWh to be applied to the standard  
8 Domestic rate for customer usage during the billing months of December to April.<sup>1</sup> The  
9 winter and non-winter price differential of 2.25 ¢/kWh is based on marginal costs that  
10 existed prior to the Muskrat Falls Project.<sup>2</sup>

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<sup>1</sup> The Domestic Seasonal – Optional rate was first approved by the Board in Order No. P.U. 8 (2011).

<sup>2</sup>  $0.953 \text{ ¢/kWh} + 1.297 \text{ ¢/kWh} = 2.25 \text{ ¢/kWh}$