

1 Q. Reference: *Fair Return for Newfoundland Power (NP)*, Evidence of
2 Laurence D. Booth, September 28, 2021, page 48, lines 13-14.

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4 *“In other words, the possibility of higher electricity costs due to Muskrat*
5 *Falls is not a factor during the upcoming test years.”*
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7 **In his assessment of Newfoundland Power’s business risk and in**
8 **consideration of the Muskrat Falls Project, did Dr. Booth identify any**
9 **utilities with supply risk similar to that of Newfoundland Power? If so,**
10 **please identify those utilities.**
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13 A. The closest would be Maritime Electric with the refurbishment costs of New
14 Brunswick Power’s nuclear plant. In the 2010 hearing the balances in the
15 deferral account associated with Point Lepreau (the Energy Cost adjustment
16 account or ECAM) were becoming excessive and regarded by the utility as a
17 risk factor. However, rate mitigation resulted, similar to what is happening in
18 Newfoundland, whereby through the PEI Energy Accord the Province of New
19 Brunswick assumed “certain extraordinary costs.”