

1 Q. **Reference: Interim Rates Application, Schedule 1 – Evidence, Revision 1**

2 On page 8, lines 11 to 14, it is stated *“Based on the Additional Cost of Service*  
3 *Information filed with the Board on March 22, 2018, the continuation of 2015 Test*  
4 *Year base rates for Newfoundland Power in 2018 is forecast to result in a revenue*  
5 *deficiency of \$53.8 million under the Deferral Account Scenario, and \$43.4 million*  
6 *under the Expected Supply Scenario.”* What are the corresponding figures for the  
7 2019 test year and how would they impact Hydro’s return on rate base in 2019?

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10 A. Based on the Additional Cost of Service Information filed with the Board, the  
11 continuation of 2015 Test Year base rates for Newfoundland Power would result in  
12 a forecast 2019 revenue deficiency of \$54.1 million under the Deferral Account  
13 Scenario and \$19.8 million under the Expected Supply Scenario. Under existing  
14 rates, Hydro’s forecast return for 2019 would be materially below the lower end of  
15 the existing and proposed range of return on rate base under each scenario.