



NEWFOUNDLAND AND LABRADOR

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

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2023-02-21

Ms. Shirley Walsh
Senior Legal Counsel - Regulatory
Newfoundland and Labrador Hydro
P.O. Box 12400
St. John's, NL A1B 4K7

Dear Ms. Walsh:

Re: Newfoundland and Labrador Hydro - Application for July 1, 2022 Utility Rate Adjustments as per Order No. P.U. 19(2022) - To NLH - Response to January 26, 2023 Update and Schedule for Filing July 1, 2023 Rate Adjustments

On January 6, 2023, the Board requested Newfoundland and Labrador Hydro ("Hydro") provide an update with respect to any future interim rate changes for 2023 for the Island Interconnected System, including the Project Cost Recovery Rider.

On January 26, 2023, in relation to 2023 retail customer rates, Hydro responded that it anticipates the Project Cost Recovery Rider will continue to be updated each year until the conclusion of Hydro's next general rate application. Hydro further stated that it was not yet able to provide projected July 1, 2023 retail customer rate impacts associated with the recovery of the Muskrat Fall Project costs but would provide any new information as it becomes available.

Hydro normally files its application for a revised Utility Rate in late May to be effective July 1st of the same calendar year. Given the potential rate change to continue the recovery of the Muskrat Falls Project costs the Board does not believe this continues to be an adequate time period for the regulatory process, notice for the rate payer, or to complete the subsequent flow through applications and Board orders. The Board requires that Hydro file its application for the July 1, 2023 revised Utility Rate by April 17, 2023, and for Hydro to follow a similar timeline for future years until further notice from the Board.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacquelyn, by email, jglynne@pub.nl.ca or telephone (709) 726-6781.

Yours truly,



Cheryl Blundon
Board Secretary

CB/cj

ecc **Newfoundland & Labrador Hydro**

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