

1 Q. Hydro filed an application on January 15, 2025 that calculated the final Rate Stabilization Plan
2 ("RSP") Current Plan Adjustment and proposed that the annual rate adjustment for the Island
3 Industrial customers would move from January 1 to July 1. In the application, Hydro also noted
4 that an application will be filed in January 2026 to dispose of any residual balances remaining in
5 the RSP as of December 31, 2025 for the Island Industrial customers. If rate changes are now
6 only going to occur annually on July 1 of each year, please explain Hydro's plan with regards to
7 the RSP Current Plan Adjustment in January 2026 considering that the rate approved in January
8 2025 will be concluded as of December 31, 2025.

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11 A. Newfoundland and Labrador Hydro's ("Hydro") application in January 2026 will propose to
12 dispose of any residual balances remaining in the RSP balance for Island Industrial customers as
13 of December 31, 2025 and conclude the RSP for these customers. As part of the January 2026
14 application, Hydro intends to propose to transfer the existing RSP Rider of 0.093 cents per kWh
15 to the Project Cost Recovery Rider, increasing the existing rider by exactly 0.093 cents per kWh,
16 allowing Hydro to maintain billings at rates proposed for July 1, 2025.

17 A new application will be submitted for July 1, 2026 rates,¹ in which a new Project Cost Recovery
18 Rider will be proposed targeting the appropriate rate increase for Island Industrial customers in
19 accordance with the Government of Newfoundland and Labrador's rate mitigation plan.

¹ Application for Island Industrial Customer Rate Adjustments to be filed June 2026.