

1 Q. **Reference: Application, Schedule 1, page 7, Table 1.**

2 Please provide an allocation of the \$5.7 million Deferral Account balance owing to customers as
3 of December 31, 2023 between Hydro’s customer classes. If an allocation has not yet been
4 determined, please provide an estimated allocation, providing the supporting assumptions.

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7 A. Newfoundland and Labrador Hydro (“Hydro”) proposed to transfer the \$5.7 million credit
8 balance realized from ponding activities from 2018 to 2023 to the Net Revenue from Exports
9 component of the Supply Cost Variance Deferral Account (“SCVDA”).

10 Table 1 provides an estimated allocation among customers on the Island Interconnected System
11 based on their proportionate share of energy in the year the activity was deferred. The
12 allocation is consistent with previous disposition of balances in supply related deferral accounts
13 for the Island Interconnected System including the Rate Stabilization Plan, Revised Energy
14 SCVDA and the Holyrood Conversion Rate Deferral Account. It is estimated, based on this
15 approach, the portion allocated to Newfoundland Power Inc. (“Newfoundland Power”) would be
16 approximately \$5.3 million.

17 This is an estimate only. The rules for disposition of the SCVDA have not been proposed by
18 Hydro nor approved by the Board of Commissioners of Public Utilities.

Table 1: Hydraulic Resource Optimization Deferral Account Estimated Customer Allocation (\$)¹

Year	Newfoundland Power	Island Industrial Customer	Labrador Interconnected Group	Total
2018	-	-	-	-
2019	247,679	23,967	723	272,369
2020	922,577	69,996	2,697	995,270
2021	1,191,232	85,243	3,456	1,279,931
2022	2,962,550	192,377	9,176	3,164,103
2023	-	-	-	-
Total	5,324,037	371,585	16,051	5,711,673

¹ Numbers may not add due to rounding.