

1 Q. Further to the response to PUB-NLH-001:

2 a) Please present a timeline for when the Board can expect a wholesale rate structure
3 filing from Hydro.

4 b) Please explain why it would be appropriate for a revised wholesale rate to be
5 implemented on an interim basis in Hydro's next general rate application.
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8 A. a) Newfoundland and Labrador Hydro ("Hydro") continues to work with Newfoundland Power
9 Inc. on the possibility of updating the wholesale rate structure in advance of Hydro's next
10 general rate application ("GRA"). Hydro is performing the necessary analysis to identify a
11 solution that does not disadvantage any customer class.

12 If it is determined that there is a viable option, assuming an implementation date of
13 January 1, 2025, Hydro will target a filing timeframe of August 2024 and no later than the
14 end of September 2024. If advancing this application is not feasible, Hydro will file for
15 approval of an interim revised wholesale rate structure shortly after filing its GRA.

16 b) The current wholesale rate has a tail-block energy rate charge of 18.165 cents per kWh,
17 which is no longer reflective of Hydro's marginal cost. An interim revised wholesale rate
18 structure would enable Hydro to ensure its rates are reflective of its updated costs as soon
19 as practicable. Hydro expects to file its next GRA in 2025. The revised wholesale rate
20 structure would be incorporated into the proposals in the GRA; however, Hydro's previous
21 GRA proceedings have averaged more than 24 months. To enable a rate structure change
22 without awaiting the conclusion of its GRA, Hydro would separately file for approval of an
23 interim revised wholesale rate structure shortly after submitting the GRA.