

1 Q. Further to PUB-Nalcor-032, please provide the impact each year on the forecast
2 domestic electricity rates provided in the response to PUB-Nalcor-029 if the Nalcor
3 dividends forecast for that year are applied to reduce the forecast domestic
4 electricity rates.

5

6

7 A. The impact of applying the Nalcor dividends noted in Nalcor's response to PUB-
8 Nalcor-032 to the forecast domestic electricity rates presented in PUB-Nalcor-029 is
9 provided in Table 1 below. The impact on rates has been presented starting in 2021
10 as it is the first full year of in-service.

11

12 The forecast domestic electricity rate is assumed to refer to the Island
13 Interconnected domestic electricity rate for a residential customer.

14

15 The estimated rate impact is determined based on the assumption that
16 approximately \$66 million of rate mitigation applied to Hydro's revenue
17 requirement will result in a 1¢/KWh impact on the forecast domestic electricity
18 rates (pre HST).

19

20 For further context regarding the general methodology and approach to rate
21 mitigation analyses prepared by Nalcor, please refer to Nalcor's response to PUB-
22 Nalcor-031.

Table 1

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>
Forecast Unmitigated Domestic Electricity Rate (¢/KWh)	21.0	21.1	21.5	21.9	22.5	22.7	22.9	23.5	23.8	24.2	25.0	25.3	25.7	26.3	26.7	27.2	28.2	29.0	29.7
Nalcor Dividends (\$millions)	123.4	143.3	155.7	182.2	225.3	272.8	296.4	320.5	342.9	489.6	423.6	434.7	488.3	528.0	509.5	515.6	579.8	626.7	656.6
Nalcor Dividend Rate Impact (¢/KWh)	(1.9)	(2.2)	(2.4)	(2.8)	(3.4)	(4.1)	(4.5)	(4.9)	(5.2)	(7.4)	(6.4)	(6.6)	(7.4)	(8.0)	(7.7)	(7.8)	(8.8)	(9.5)	(9.9)
Adjusted Rate (¢/KWh)	19.2	19.0	19.1	19.2	19.1	18.6	18.4	18.6	18.6	16.8	18.6	18.7	18.3	18.3	18.9	19.4	19.4	19.5	19.7

Amounts may not add due to rounding.