

1 Q. Please provide a table showing the amount of revenue requirement for rate
2 mitigation required for each year from 2021 to 2030 to smooth out rates over this
3 period using separate scenarios for 14 cents to 18 cents per kWh escalating each
4 year until the forecast “unmitigated” rate is achieved in 2030.

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7 A. Table 1 below provides the amount of rate mitigation required to achieve forecast
8 domestic electricity rates of 14¢ to 18¢ per kWh (pre HST) at 2021 which then
9 increases annually until rates are equal to the unmitigated forecast domestic
10 electricity rate by 2030.

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12 The targeted rates referenced in the question are assumed to refer to forecast
13 Island Interconnected domestic electricity rates for a residential customer.

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

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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

\$millions	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
18¢/KWh	201.2	167.3	150.8	136.0	132.9	98.0	66.0	52.8	24.6	-
17¢/KWh	267.2	228.1	205.8	184.8	174.9	132.7	92.7	71.0	33.6	-
16¢/KWh	333.2	289.4	261.8	235.1	218.7	169.5	121.7	91.4	44.7	-
15¢/KWh	399.2	351.0	318.4	285.9	263.1	206.6	150.8	111.5	54.8	-
14¢/KWh	465.2	413.1	375.9	338.1	309.1	245.6	181.7	133.4	66.4	-