

1 Q. **Reference: Application, Page 1, Paragraph 3**

2 On Page 1 at Paragraph 3, Hydro States:

3 On May 7, 2019, the Board issued Order No. P.U. 16(2019) setting out its  
4 determination and decisions with respect to Hydro's 2017 GRA ("2017 GRA  
5 Order").

6 In Order No. P.U. 16 (2019), the Board stated:

7 Currently it is expected that 2021 will be the first full year of operation after the  
8 commissioning of Muskrat Falls. To ensure that this significant change can be  
9 addressed in a timely and orderly fashion Hydro should file its next general rate  
10 application by September 30, 2020. To the extent that circumstances change  
11 Hydro may apply to the Board to alter this filing date.

12 Please explain, in detail, the circumstances that have changed to justify an approach other than  
13 basing Hydro's next GRA on a test year reflecting the first full year of operation after the  
14 commissioning of Muskrat Falls.

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17 A. As stated in the application, Newfoundland and Labrador Hydro ("Hydro") is proposing to use  
18 multiple test years in its GRA filing. Please refer to Hydro's response to PUB-NLH-002 of this  
19 proceeding for the basis for the use of 2021 as a test year for the determination of 2021  
20 revenue deficiency. Hydro anticipates proposing a test year for the determination of revenue  
21 requirement for the establishment of customer base rates which will include costs reflecting a  
22 full year of operation after the commissioning of the Muskrat Falls Project.