

1 Q. **Reference: Hydro’s Revised Application for Approval of Construction of Hydro’s long-term**  
2 **supply plan for southern Labrador, *Schedule 2 – Long-Term Supply for Southern Labrador –***  
3 ***Evidence Supporting the Revised Application, May 31, 2023, Page 15, Footnote 20.***

4 *“The forecast rate impact of the total project is approximately 1.5% for the end*  
5 *consumer on the Island Interconnected System and 2.0% for consumers on the*  
6 *Labrador Interconnected System. Assumes the average revenue to cost ratio for*  
7 *customers on the Labrador Isolated System in the 2019 Test Year is 24%, which*  
8 *represents their portion of costs recovered through rates.”*

9 Is the rate impact referenced above included in rate projections associated with provincial  
10 government rate mitigation plans or Hydro’s rate projections outlined in its October 3, 2022  
11 Reliability and Resource Adequacy Study – 2022 Update?

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14 A. The rate impact resulting from Newfoundland and Labrador Hydro’s (“Hydro”) revised  
15 application for the long-term supply for southern Labrador has not been incorporated into  
16 unmitigated rate projections.

17 Hydro’s rate projections outlined in its Reliability and Resource Adequacy Study – 2022 Update  
18 were based on the best information available for a forecast of mitigated rates.<sup>1</sup>

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<sup>1</sup> “Reliability and Resource Adequacy Study – 2022 Update,” Newfoundland and Labrador Hydro, October 3, 2022.