

1 Q. In each of its quarterly updates to the Board regarding the filing of its next GRA from July 2024  
2 to March 28, 2025, Hydro provided that it planned to file its next GRA by the end of 2025.

3 Would a GRA filed by the end of 2025 have included a 2025 test year and consideration of costs  
4 outlined in the Application?

5  
6  
7 A. No, a general rate application ("GRA") filed by the end of 2025 would not have included a 2025  
8 test year.

9 Newfoundland and Labrador Hydro's ("Hydro") proposal to defer and recover capital-related  
10 overhead costs was approved by the Board of Commissioners of Public Utilities ("Board") in  
11 Order No. P.U. 16(2021) effective January 1, 2022.

12 In its Order, the Board also directed Hydro to file, for approval, the proposed account definition  
13 including evidence to support the proposed methodology and capitalization rate, as part of its  
14 next GRA. At that time, Hydro anticipated filing its GRA in the months following the issuance of  
15 the Board's Order, prior to the end of 2021. Although the Board approved Hydro's proposal to  
16 defer and recover capital-related overhead costs effective January 1, 2022, to date, Hydro has  
17 not deferred or recovered any of these costs due to the delay in its GRA.

18 Hydro's application currently before the Board satisfies the direction provided in Order No.  
19 P.U. 16(2021) in that it includes the proposed account definition and the evidence to support  
20 the proposed methodology and capitalization rate. It is being filed in advance of its GRA for the  
21 purpose of regulatory efficiency, to allow for more expeditious review and approval of specific  
22 projects and policy changes, while the GRA focuses on broader, more comprehensive issues.