

1 Q. In the transmittal letter filed with the Application, Hydro states, *"In the interest of regulatory*
2 *efficiency, Hydro is submitting an application in advance of its next GRA to establish the new*
3 *General Expenses Capitalized Deferral Account, effective as of January 1, 2025."*

4 Please explain why the deferral and recovery of capital-related general expenses effective as of
5 January 1, 2025 as opposed to effective as of January 1, 2026 is necessary in the interest of
6 regulatory efficiency associated with Hydro's next GRA.

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9 A. The reference to regulatory efficiency noted by Newfoundland and Labrador Hydro is with
10 respect to the filing of the application in advance of its next general rate application, and in
11 doing so, allowing for quicker approvals of specific projects and policy changes, while the
12 general rate application focuses on broader, more comprehensive issues.

13 Please refer to IC-NLH-001 of this proceeding for additional information for selecting the
14 effective date of January 1, 2025.