

1 Q. **Reference: Application**

2 Given that Hydro has a \$2 billion Build Application before the Board and is forecasting rates of  
3 the order of 25 cents/kWh in 2035 (Hydro Build Application, Schedule 3, Attachment 1, Table 5),  
4 does Hydro support advancement of Newfoundland Power's rate design studies in an effort to  
5 reduce and optimize capital spending?

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8 A. The forecast rates included within referenced Table 5, of Schedule 3, Attachment 1 to  
9 Newfoundland and Labrador Hydro's ("Hydro") 2025 Build Application are estimates, and as  
10 Hydro noted in its footnote to Table 5, the actual customer rates could differ for a number of  
11 reasons.

12 Hydro notes that Newfoundland Power Inc.'s ("Newfoundland Power") rate design studies are  
13 anticipated to be completed in advance of the filing of Newfoundland Power's next general rate  
14 application in 2027.<sup>1</sup> This will be in within the time frame of the current Government of  
15 Newfoundland and Labrador's existing rate mitigation plan which limits customer rate increases  
16 attributable to Hydro's costs to 2.25% annually until 2030.

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<sup>1</sup> Newfoundland Power's response to CA-NP-090 as part of Newfoundland Power's 2026 Capital Budget Application.