

1 Q. **Reference: CA-NLH-024.**

2 It is stated *"Hydro notes that Newfoundland Power Inc. 's ("Newfoundland Power") rate design*
3 *studies are anticipated to be completed in advance of the filing of Newfoundland Power's next*
4 *general rate application in 2027. This will be in within the time frame of the current Government*
5 *of Newfoundland and Labrador's existing rate mitigation plan which limits customer rate*
6 *increases attributable to Hydro's costs to 2.25% annually until 2030."*

7 **a)** Please explain why it is important that rate studies be completed prior to 2030 as opposed
8 to "as soon as possible" in order to reduce/defer expansion costs included in the Reliability
9 and Resource Adequacy Study.

10 **b)** What lead time is generally required for new rate designs to be accepted by customers and
11 reach full potential?

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14 A. The questions above pertain to Newfoundland and Labrador Hydro's ("Hydro") 2025 Build
15 Application. It is Hydro's opinion that the information requested is not necessary for a
16 satisfactory understanding of the matters to be considered in the 2026 Capital Budget
17 Application as required by the *Board of Commissioners of Public Utilities Regulations, 1996.*