

1 Q. (Reference Application) Please provide the reasons for submitting this application separately from
2 the 2026 GRA and explain how this approach supports regulatory efficiency.

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5 A. Newfoundland and Labrador Hydro ("Hydro") submitted this application separately from the
6 2026 General Rate Application ("GRA") as Hydro is proposing the deferral account be effective
7 January 1, 2026, given the growing difference between the calculation of allowance for funds
8 used during construction and interest during construction beginning in 2026. Hydro requires
9 approval of the deferral account prior to December 31, 2026 to facilitate the deferral of the
10 2026 balance; however, Hydro's 2026 GRA proceeding is not expected to conclude prior to this
11 date. Filing this application separately from the GRA allows for timely approval and also reduces
12 the scope and breadth of the GRA.

13 Please refer to Hydro's response to NP-NLH-001 of this proceeding for additional information.