Q. **Reference: Application**

Provide the range of 2027 Net Export Revenue that Hydro considers reasonably possible.

A. Newfoundland and Labrador Hydro ("Hydro") utilized external market price forecasts to develop its export price forecast for the 2027 Test Year included in the 2026 General Rate Application. The value of Net Export Revenue that Hydro considers reasonable has been included in the 2027 Test Year and is equal to $40.2 million.

Export prices can be highly volatile and are influenced by numerous factors that are outside Hydro's control, including supply and demand fundamentals, transmission availability, and broader economic and market conditions. These factors can change significantly over short periods of time and may have a material impact on realized export prices. As a result, Hydro does not consider it appropriate to estimate a range. Any fluctuations between the forecast Net Export Revenue included in the 2027 Test Year and the actual Net Export Revenue realized are included in Hydro's Supply Cost Variance Deferral Account.