

1 Q. **Reference: Volume 1, page 184 (footnote 11); Order No. P.U. 14(2026), page 3; Cost of Service**
2 **Methodology Settlement Agreement (May 15, 2026), page 2**

3 Confirm whether Hydro considers the wind generation classification change (22%/78% to
4 43%/57%) to be properly before the Board in this General Rate Application, and if so, identify
5 the procedural basis, given that it was neither a settled item under the 2026 Cost of Service
6 Methodology Settlement Agreement nor one of the two items expressly deferred to this GRA by
7 Order No. P.U. 14(2026). Provide a direct yes/no confirmation and, if yes, cite the specific
8 provision, order, or filing practice Hydro relies on to treat a classification change introduced
9 after the Settlement Agreement's execution as properly before the Board in this proceeding
10 without a separate methodology application or deferral designation.

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13 A. Yes, the proposal regarding the classification of wind generation is properly before the Board of
14 Commissioners of Public Utilities ("Board") in the 2026 General Rate Application ("GRA").

15 As noted in Chapter 6 of the 2026 GRA,¹ the proposal regarding the classification of wind
16 generation purchases on the Island Interconnected System had not been put forth in
17 Newfoundland and Labrador Hydro's ("Hydro") Cost of Service Methodology Application²
18 because the Effective Load Carrying Capability Study was not complete in advance of that
19 application. As a result, the issue was not considered in that proceeding and was not addressed
20 in either the 2026 Cost of Service Methodology Settlement Agreement or Board Order No.
21 P.U. 14(2026).

22 Hydro has included this proposal in the 2026 GRA as part of Hydro's cost allocation evidence
23 supporting the rates proposed for the test year. Hydro is not relying on any specific provision of
24 the Settlement Agreement or Board Order No. P.U. 14(2026) to bring the proposal forward.

¹ Please refer to "2026 General Rate Application," Newfoundland and Labrador Hydro, May 27, 2026, vol. I, ch. 6, sec. 6.4.1, p. 6.10, f.n. 11.

² "Cost of Service Methodology Application," Newfoundland and Labrador Hydro, August 22, 2025.

1 Hydro's position is that the proposal is appropriately considered within this proceeding because
2 it forms part of the methodology and assumptions underlying the allocation of costs and the
3 setting of rates for the test year and was not previously before the Board for consideration.