Q. **Reference: Exhibit 17, page 3**

Hydro states “Further improvement in price efficiency requires movement to time-varying pricing.” Has Hydro considered moving to time-varying pricing now given that it improves price efficiency and that industrial customers often have energy managers with the sophistication and motive (to reduce production costs), enabling appropriate responses to time-varying rates? Why or why not?

A. Please refer to Newfoundland and Labrador Hydro’s response to CA-NLH-167 of this proceeding.