Q. **Reference: Volume 1, page 171; Volume 3, page 714**

Provide Hydro's projected Long-Term Supply Cost Variance Deferral Account balance for each year from 2027 through 2035, under scenarios approximating the 10th percentile (low), 50th percentile (expected/median), and 90th percentile (high) supply-cost outcomes, together with the key assumptions (hydrology, export prices, load, fuel prices) driving each scenario. If Hydro does not currently produce a probabilistic supply-cost projection, provide whatever scenario or sensitivity analysis it does use to plan for LT-SCVDA balance variability, and confirm that no probabilistic projection exists if that is the case.

A. Newfoundland and Labrador Hydro ("Hydro") does not produce probabilistic forecasts of its Long-Term Supply Cost Variance Deferral Account ("SCVDA") balances and therefore does not develop projections based on specified probability distributions such as 10th percentile, 50th percentile, and 90th percentile supply cost outcomes. Consistent with its planning and forecasting processes, Hydro develops deterministic forecasts of its supply costs rather than probabilistic simulations.

Hydro updates its financial forecasts, including supply cost forecasts, on a routine basis to reflect the latest available information regarding system conditions, fuel costs, export opportunities, load forecast updates and associated production profiles, and other relevant operating assumptions. These forecasts are also deterministic.

It should be noted that a significant portion of Hydro's forecast supply costs relates to power purchases under the Muskrat Falls Power Purchase Agreement and the Transmission Funding Agreement. These costs are largely fixed in nature, resulting in a relatively high degree of forecast certainty compared to Hydro's forecasts prior to Muskrat Falls in-service, where fuel costs comprised a larger portion of supply costs. Please refer to Chapter 4, Chart 4-1 of Hydro's 2026 General Rate Application, which shows that 90% of Muskrat Falls supply costs are commercially fixed.