Q. **Reference: Exhibit 10 – Deferral Account Definitions**

Explain the rationale for the proposed Electrification Cost Deferral Account, including why existing regulatory mechanisms are insufficient. Please also describe the status of Hydro's electrification programs in light of the current generation shortfall on the Island Interconnected System.

A. The Board of Commissioners of Public Utilities ("Board") approved the Electrification Cost Deferral Account with an effective date of January 1, 2023 in Order No. P.U. 33(2023). Newfoundland and Labrador Hydro's Electrification, Conservation and Demand Management Report for the year ended December 31, 2025 was filed on April 10, 2026, and is available on the Board website at the following link: Electrification, Conservation and Demand Management Report.