

1 Q. **Reference: Existing SCVDA; proposed LT-SCVDA**

2 At transition from the existing SCVDA to the LT-SCVDA, please identify whether any amount
3 accumulated under the existing SCVDA will be transferred, reclassified or reallocated using the
4 proposed LT-SCVDA methodology or then-current customer allocation determinants, and
5 quantify any resulting change in responsibility by customer class. If no such reallocation is
6 proposed, please confirm.

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9 A. The allocation methodology for components of the existing Supply Cost Variance Deferral
10 Account ("SCVDA") has not yet been proposed or approved. As noted by Newfoundland and
11 Labrador Hydro ("Hydro") in its 2026 General Rate Application ("GRA"), Hydro intends to
12 propose the allocation and disposition of any balance in the existing SCVDA subsequent to the
13 conclusion of the 2026 GRA. Hydro does not intend to transfer the balance in the existing SCVDA
14 to the Long-Term SCVDA. As noted in Hydro's response to part b) of PUB-NLH-094 of this
15 proceeding, the ending balance of the December 31, 2026 existing SCVDA will not be transferred
16 to the Long-Term SCVDA, and Hydro will apply rate mitigation funding in 2027 to the existing
17 SCVDA to extinguish the remaining balance.