

- 1 **Q. (Reference Application) Given that Hydro has a \$2 billion Build Application**
2 **before the Board and is forecasting rates of the order of 25 cents/kWh in**
3 **2035 (Hydro Build Application, Schedule 3, Attachment 1, Table 5), should NP**
4 **be advancing its load research and rate design studies?**
5
- 6 **A.** Newfoundland Power's *Load Research Study and Rate Design Review* will inform
7 changes to customer rate designs as part of the Company's next general rate application
8 which is required to be filed no later than June 1, 2027.¹
9
- 10 The impact of Newfoundland and Labrador Hydro's ("Hydro") costs on Newfoundland
11 Power's customer rates are limited to 2.25% annually from 2024 to 2030 as outlined in
12 the Government of Newfoundland and Labrador Rate Mitigation Plan.² As indicated in
13 the referenced table, the rates provided by Hydro are estimates and actual customer
14 rates could differ for a variety of reasons, including assumptions around rate mitigation
15 post-2030.³ Newfoundland Power's *Load Research Study and Rate Design Review* will be
16 completed prior to that time.

¹ See Order No. P.U. 3 (2025), page 73, lines 13-14.

² See Government of Newfoundland and Labrador News Release – *Provincial Government Announces Finalization of Rate Mitigation Plan*, May 16, 2024.

³ See Hydro's *2025 Build Application, Bay d'Espoir Unit 8 and Avalon Combustion Turbine, March 21, 2025, Schedule 3, Appendix A, Attachment 1, page 3, footnote 12.*