

1 Q. Please provide the benefit to cost ratio and all supporting calculations for the 2019
2 Test Year for the pilot generation credit service agreement with CBPP. If this
3 agreement were terminated at year-end 2018, how would it affect rates to Island
4 Industrial Customers and Newfoundland Power in monetary and percentage terms
5 in 2019?
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8 A. Hydro has not conducted a benefit to cost analysis with respect to continuing the
9 pilot agreement for 2019. However, the current agreement permits Hydro to call on
10 Corner Brook Pulp and Paper to maximize its generation to provide capacity to the
11 benefit other customers on the Island Interconnected System.
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13 As stated in Hydro's responses to PUB-NLH-075 and CA-NLH-076, there is no impact
14 on the 2018 or the 2019 Test Year revenue requirements associated with this
15 agreement. Therefore, this agreement is not resulting in higher costs to Hydro's
16 other customers.
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18 Hydro's plan in discontinuing the agreement was to replace the current agreement
19 with a new agreement reflecting the value it provides upon interconnection with
20 the North American grid. However, due to the ongoing delays in the 2017 GRA,
21 Hydro has not had an opportunity to proceed with discussions with CBPP on this
22 matter. Therefore, Hydro now supports continuation of the existing agreement until
23 the conclusion of its next GRA.