

1 Q. **Volume 1 (1st Revision), Chapter 5: Rates and Regulations**

2 If Hydro's filing was revised based on the latest fuel forecasts, what would Hydro's
3 forecast 2018 revenue deficiency be if customer rates based on a 2019 test year
4 were implemented on July 1, 2018? (Volume I (1st Revision), Chapter 5: Rates and
5 Regulations, Page 5.14, Line 1, et. seq.)

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8 A. Hydro's most recent No. 6 fuel forecast for 2018 is a price of \$63.75 CDN per
9 barrel¹, and for 2019 a price of \$68.50 CDN per barrel. If Hydro's filing was revised
10 based on this fuel forecast, final customer rates based on a 2019 Test Year
11 implemented on July 1, 2018 would result in a revenue deficiency of approximately
12 \$15.3 million.²

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14 Please refer to Hydro's response to NP-NLH-103 for the forecast customer impacts
15 based on this scenario.³

¹ For the purpose of preparing this response, Hydro has assumed the forecast fuel price per barrel equals the forecast fuel cost per barrel.

² This assumes no change in customer base rates until final customer rates are established July 1, 2018.

³ Please see the column titled "2019 Test Year Increase Relative to July 1, 2017 Rates".