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1 Q. Please discuss any changes to the electric system or customer composition since  
2 2016 that would affect the applicability of the rate design alternatives described in  
3 the report filed by Hydro on June 15, 2016 titled “Rate Design Review for  
4 Newfoundland Power and Island Industrial Customers”.

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7 A. In addition to the Rate Design Review for Newfoundland Power and Island Industrial  
8 Customers filed in 2016, the Marginal Cost Study Update filed with the Board on  
9 November 15, 2018 provides important information with respect to future rate  
10 designs. Specifically, the increase in marginal capacity costs reflecting limited  
11 surplus generation capacity available post-Muskrat Falls, compared to that  
12 projected in 2016, should be an important consideration in future rate designs.