

**2018 Capital Budget Application – Muskrat Falls to Happy Valley Interconnection Project**

- 1 Q. **Reference: Letter from NLH to the Board, dated November 30, 2018**  
 2 Rate impact  
 3 Provide the estimated 2019 and 2020 rate impacts on the Labrador Industrial and  
 4 Labrador Interconnected Rural customers from the proposed MFA – HVY  
 5 Interconnection project.  
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 8 A. The information requested for the 2019 Test Year is included in Table 1.

**Table 1: Forecast Customer Rate Impacts of the  
 Proposed Muskrat Falls to Happy Valley Interconnection Project**

<b>Customer Class</b>	<b>2019 Test Year Forecast Rate Impact</b>
Rural Labrador Interconnected	0.6%
Labrador Industrial	3.1%

- 9 Newfoundland and Labrador Hydro’s 2017 General Rate Application is based on  
 10 2018 and 2019 Test Years. Additions to rate base beyond the 2019 Test Year will not  
 11 result in rate increases for customers until Hydro’s next General Rate Application.