

1 **Q.** (Reference CA-NP-007) Please confirm that in Order No. P.U. 16(2019) the Board
2 directed Hydro to “file its next GRA no later than September 30, 2020 for rates based
3 on a 2021 Test Year” and that Hydro requested a delay in the filing owing to
4 uncertainties relating to Muskrat Falls and rate mitigation and the resulting
5 inability of Hydro to “prepare a GRA filing that would reasonably reflect the costs
6 that Hydro will incur in providing electrical service to its customers for use in
7 determining proposed customer rates.” (see April 15, 2019 letter from Hydro to the
8 Board titled “Application to Delay the Filing of Newfoundland and Labrador Hydro’s
9 Next General Rate Application”). Please confirm that Newfoundland Power could
10 have requested a delay in filing its GRA for the same reasons.

11
12 **A.** As stated in response to Request for Information CA-NP-007, Order No. P.U. 2 (2019)
13 required Newfoundland Power to file its next general rate application by June 1, 2021.
14 The filing date of the Company’s application reflects that requirement.

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16 Further, Section 80 of the *Public Utilities Act* entitles a utility to have an opportunity to
17 earn a just and reasonable return. Under existing customer rates, Newfoundland Power’s
18 financial performance is expected to erode in 2022 and 2023.¹ A general rate application
19 is therefore required to afford the Company an opportunity to earn a just and reasonable
20 return over the forecast period.

¹ See the 2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 3.2.7: Returns, page 3-13 et seq.