

1 Q. (Re: CA-NLH-315 and CA-NLH-321) Please identify each study that Hydro proposes  
2 to undertake between now and the filing of the next GRA and include a high-level  
3 schedule; i.e., marginal cost study, cost of service methodology, rate design study  
4 including RSP design, GRA.

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7 A. Due to the uncertainty in the timing of completion of the current GRA, Hydro  
8 cannot provide a firm schedule with respect to the completion of the studies  
9 required prior to filing its next GRA. However, for discussion purposes and to assist  
10 the Board in its planning the required reviews, Hydro has provided, in CA-NLH-340  
11 Attachment 1, a view of the elements that are presently known. These elements  
12 are presented along a rough timeline. Hydro acknowledges that the Board will  
13 establish the process including consideration of the views from other parties before  
14 setting a schedule for the review process.

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16 For its part, Hydro is planning the following:

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18 1 To have the marginal cost study on generation costs completed and the  
19 report filed with the Board in 2015.

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21 2. File a report with the Board in 2016 providing a review of the Cost of Service  
22 methodology giving consideration to the future system changes occurring in  
23 2017 and 2018 related to the Muskrat Falls PPA, the Labrador-Island  
24 Interconnection, the Maritime Link interconnection and open access  
25 transmission requirements and related structural changes. Hydro anticipates  
26 a regulatory process in 2016 to review and approve any changes required in  
27 the methodology.

1           3.     Enter into discussions with stakeholders during the current GRA process on  
2                 the development of a project scope for a rate design review giving  
3                 consideration to the future system changes noted above. The timing on  
4                 completion of the rate design review and the implementation of changes in  
5                 rate design is largely dependent on the co-operative participation of  
6                 stakeholders.

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8           4.     File a report in 2016 on the future of the RSP and the requirements for  
9                 supply cost recovery mechanisms, giving consideration to the future system  
10                costs related to the Muskrat Falls PPA and the Labrador-Island Link.

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12           In the timeline shown in CA-NLH-340 Attachment 1, Hydro provides a broader  
13           context of the timeframe beyond the period discussed above. In order to provide  
14           time for review of the significant changes brought about by the future system  
15           configuration, Hydro presently anticipates that it will be necessary, after having  
16           completed the Cost of Service proceeding, to file an application no later than Q1  
17           2017 for rate changes to be in effect in 2018 upon the in-service of the new  
18           facilities.

**Newfoundland and Labrador Hydro**  
**Draft Regulatory Calendar - For Discussion Purposes**

2015								2016												2017												2018						
May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar				
Hydro GRA Hearing								COS Methodology Report				Rate Design Review				COS Methodology Proceeding				GRA Filing using 2018 Test Year				Hydro GRA Hearing								Rate Implementation including Labrador Supply Costs						
Marginal Cost Study												Supply Cost Recovery Mechanisms Report																										