

September 7, 2018

Via Email & Courier

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Ms. Cheryl Blundon
Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

**Re: Timing of the Labrador Island Link (LIL) and the Labrador Transmission Assets (LTA), and 2017
GRA forecast customer rate impacts for 2019 and associated Undertakings**

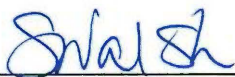
As per Newfoundland and Labrador Hydro's ("Hydro") correspondence to the Board of Commissioners of Public Utilities (the "Board") on August 27, 2018, Hydro advised it would file an update providing a revised forecast of off-island purchases for 2018 and 2019, and the revised 2017 GRA customer rate projections for 2019 reflecting the revised monopole commissioning date. Since that time, Hydro has been advised that the 170 MW assumed for 2019 may not be achievable and that an assumption of 110 MW is more probable. These recent developments require additional time to determine new forecasts and customer rate impacts.

In addition, Hydro advised the Board on August 29, 2018 that it would file undertakings impacted by this update concurrently. Both the update and the undertakings are anticipated to be filed next week.

If you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley Walsh
Senior Legal Counsel - Regulatory
SW/kd

cc: Gerard Hayes – Newfoundland Power
Paul Coxworthy – Stewart McKelvey Stirling Scales
Denis J. Fleming – Cox & Palmer
ecc: Van Alexopoulos – Iron Ore Company
Senwung Luk – Labrador Interconnected Group

Dennis Browne, Q.C. – Consumer Advocate
Dean Porter – Poole Althouse

Benoît Pepin – Rio Tinto