

1 Q. **Re: 2017 GRA Compliance Application, Exhibit 3, page 1 (p. 65 pdf); Re: 2017 GRA**  
2 **Compliance Application, Exhibit 2, page 1 (p. 53 pdf)**

3

4 **Citation:**

5 Changes in Load Forecast: Hydro has updated its load forecasts as required by the  
6 Board in the 2017 GRA Order. [footnote 3]

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8 **Preamble 1:**

9 Footnote 3 refers to p. 15, lines 5-21 of P.U. 16(2019), which read:

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11 With respect to the load forecast for the Labrador Interconnected system the  
12 Settlement Agreements set out the following:

13

14 The Parties agree that the 2017 GRA forecast for the Labrador  
15 Interconnected System will be updated in the 2017 GRA compliance  
16 application reflecting Hydro's most recent projections: i) of data centre  
17 loads for 2018 and 2019 including both the revenue and supply costs  
18 impacts and (ii) of 2019 Power on Order requirements for Labrador  
19 Industrial customers.

20

21 **The settlement proposal to update the load forecast for the Labrador**  
22 **Interconnected system is accepted.**

23

24 It is indicated on the same page of the decision that **"The proposed 2018 test year**  
25 **customer load forecasts for the Island Interconnected system are accepted."**

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27 **Preamble 2:**

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29 Table 1 (p. 66 pdf) and similar tables indicate precisely the same load forecast  
30 values for the 2018 Test Year according to a) the 2017 GRA, filed on July 28, 2017  
31 and last revised on July 4, 2018, and b) the 2017 GRA Compliance Application.

- 1 a) Please confirm that, except for the specific categories mentioned in the Settlement  
2 Agreements and P.U. 16(2019), Hydro has not updated the load forecasts for the 2018  
3 Test Year to account for actual results for that year, nor has it updated its load  
4 forecasts for the 2019 Test Year.  
5
- 6 b) If (a) is confirmed, please provide the justification for not updating these load forecasts.  
7
- 8 c) In the event that actual sales in 2018 were greater than the approved load forecast,  
9 please explain whether (and, if so, how) the resulting extra revenues will be returned to  
10 customers. If such extra revenues are not being returned to customers, please explain  
11 why not.  
12  
13
- 14 A. a) Newfoundland and Labrador Hydro (“Hydro”) has complied with the Settlement  
15 Agreements and Board Order No. P.U. 16(2019) in updating its load forecasts for the  
16 2018 Test Year and the 2019 Test Year to reflect Hydro’s most recent projections of  
17 data centre loads for 2018 and 2019, including both the revenue and supply costs  
18 impacts, and 2019 Power on Order requirements for Labrador Industrial Customers.  
19
- 20 b) Hydro has not updated these forecasts to reflect actual results as doing so would not  
21 be in compliance with the Settlement Agreements or Board Order No. P.U. 16(2019).  
22
- 23 c) Rates are established based on test year load forecasts and test year costs. Actual loads  
24 and/or actual costs can be higher or lower than the approved test year forecast. The  
25 impact of actual revenues and actual costs varying from test year revenues and test  
26 year costs are reflected in Hydro’s financial results.