

1 Q. Please provide Hydro's view on the effective date for the deferral of costs relating
2 to the operation and maintenance costs of the Labrador Island Link and the
3 Labrador Transmission Assets under Order in Council 2018-213.

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6 A. OC2018-213 provides for the deferral of costs, expenditures, and payments in
7 connection with the Interim Transmission Funding Agreements ("TFAs"). Therefore,
8 all costs required to be paid by Hydro once the Interim TFAs became effective
9 (August 31, 2018) must be deferred. However, Hydro has not yet made payments
10 under the Interim TFAs, as payments are not required until the Labrador-Island Link
11 has achieved Mono-Pole Commissioning.¹

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13 Hydro will file an application in November 2018 requesting approval of a deferral
14 account in accordance with OC2018-213.

¹ "Mono-Pole Commissioning" means the successful completion of trial operation of a single pole of the Labrador-Island Link for a period of not less than 20 days, during which all equipment and facilities operate without interruption at power transfer levels agreed to by the Parties and the Newfoundland and Labrador System Operator.