

1 Q. **Reference: Supply Cost Accounting Application, paragraph 16.**

2 Please provide Hydro's 2021 forecast return on rate base and return on equity. Please also
3 provide Hydro's 2020 test year return on rate base and return on equity.

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6 A. Assuming the proposals in Newfoundland and Labrador Hydro's ("Hydro") Supply Cost
7 Accounting Application are approved, Hydro's forecast regulated return on equity and return on
8 rate base for 2021 are 7.8% and 5.43%, respectively. The approved test year for rate setting was
9 2019 and not 2020. The approved 2019 Test Year return on equity was 8.5% and the approved
10 return on rate base was 5.43% with an allowed range from 5.23% to 5.63%.