1 Q. Reference: Schedule 1: Evidence

2 On page 25, lines 1-5 Hydro indicates that the Rural Rate Alteration transfers, which only apply 3 to Newfoundland Power, will continue to be applied to Newfoundland Power's RSP Current Plan 4 balance and be reflected in the remaining plan balance of the RSP to be recovered by the 5 updated RSP rate in July 2022. Is it Hydro's intention to also apply the proposed load variation 6 component of the Rural Rate Alteration to the Utility balance component for recovery in the 7 2022 RSP rate or will it become a separate component of the proposed Supply Cost Variance 8 Deferral Account upon its effective date?

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A. Newfoundland and Labrador Hydro ("Hydro") is proposing to transfer the Rural Rate Alteration
("RRA") load variation adjustments to the Utility Current Plan balance which will be maintained
separately in the Supply Cost Variance Deferral Account in the same manner as the RRA price
variance adjustments are transferred for Hydro Rural customers. The impact of the RRA load
variation transfers will be reflected in the Utility Rate Stabilization Plan update for 2022.