

- 1 **Q. (Reference Application, 2022 Capital Plan)**
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3 **a) Please provide the increase in total rates (monetary and percentage) that will be**
4 **charged to each rate class of Newfoundland Power customers, by billing**
5 **determinant, as a result of the Muskrat Falls Project coming into service.**
6 **b) Please provide the bill impacts on customers within each rate class of these rate**
7 **increases, broken down by decile of demand (i.e., average customer with demand**
8 **below the 10th percentile, average customers in the range of the 10th to 20th**
9 **percentile, etc.).**
10 **c) Please compare the impact of these increases for each decile of residential**
11 **customers to the best available data on the annual increase in income for low-**
12 **income and for average-income Newfoundlanders.**
13 **d) Please provide the expected impact on electricity demand by rate class as a result**
14 **of these rate increases. Include details of the price elasticity assumptions used**
15 **relative to the elasticity assumptions used in quantifying the impact of rate**
16 **increases on demand for purposes of the current Newfoundland Power GRA.**
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18 **A. a) Customer rate impacts resulting from the commissioning of the Muskrat Falls Project**
19 **are unknown at this time.¹ Therefore, the information requested cannot be provided.**
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21 **b) See part a).**
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23 **c) See part a).**
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25 **d) See part a).**

¹ On July 28, 2021, the provincial and federal governments announced an agreement-in-principle that will mitigate rate impacts associated with the Muskrat Falls Project. However, details to calculate customer rate impacts by rate class were not provided. Information to help determine these impacts is expected to be included in Hydro's next general rate application ("GRA"). For information on the timing of Hydro's next GRA, see Hydro's June 30, 2021 letter to the Board *Re: Quarterly Update – Items Impacting the Delay of Hydro's Next General Rate Application*.