

- 1 **Q. (Application Volume 1, section 5) What is the status of Hydro and NP discussions**  
2 **relating to changes in the wholesale rate design charged NP? What are NP plans for**  
3 **studying potential changes in rate designs for its customers?**  
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- 5 A. Newfoundland Power and Newfoundland and Labrador Hydro (“Hydro”) have had  
6 preliminary discussions regarding potential changes to Hydro’s Utility rate as a result of  
7 the Muskrat Falls Project. Newfoundland Power expects further discussions with Hydro  
8 regarding the Utility rate as Hydro prepares its next general rate application (“GRA”).<sup>1</sup>  
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- 10 See response to Request for Information NLH-NP-034 for information regarding a  
11 review of Newfoundland Power’s customer rate design.

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<sup>1</sup> Hydro is required to file a GRA once Muskrat Falls Project costs and rate mitigation are known to establish a new Utility rate. In Order No. P.U. 15 (2020) the Board approved Hydro’s request to delay the filing of its GRA as Hydro lacked critical information needed to develop proposed customer rates. The Board directed Hydro to file quarterly updates with respect to the filing of its next GRA beginning on September 30, 2020. In Hydro’s June 30, 2021 update, Hydro indicated that it is still awaiting information on the financial restructuring of the Muskrat Falls Purchase Power Agreement and the completion of government’s rate mitigation plan and therefore did not have adequate information to file a fully informed GRA.