

- 1 **Q. (Reference Application, 4.2 Mobile Hydro Plant Refurbishment, page 17)**
2 **What is the impact of this project on rates?**
3
- 4 A. The proposed refurbishment of the Company's Mobile Hydro Plant will result in the
5 continued provision of low-cost energy to customers, thereby avoiding the need to
6 purchase more expensive replacement production. The customer benefit associated
7 with the continued operation of the Mobile Hydro Plant is estimated to be approximately
8 \$1.8 million in lower annual revenue requirement.¹ This \$1.8 million estimate translates
9 to a customer rate benefit of approximately 0.2%.²

¹ Based on 2025 revenue requirement impacts associated with reduced exports and avoided capacity additions partially offset by the annual revenue requirement for continued operation of plant. See the *2023 Capital Budget Application*, report *4.2 Mobile Hydro Plant Refurbishment project*, Appendix A, Attachment D, pages 2 to 4.

² Based on a \$1.8 million reduction from current customer billings of approximately \$734 million as outlined in Newfoundland Power's *Application for July 1, 2022 Customer Rates* filed with Board on June 14, 2022.