

1 **Q. Please inform as to Newfoundland Power's proposal to compensate ratepayers for**
2 **the use of ratepayer facilities to subsidize this new business opportunity for**
3 **Newfoundland Power.**

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5 A. Electrification initiatives, including the electric vehicle charging infrastructure, are
6 proposed based on the rate mitigating benefit provided to customers. For example,
7 customers are forecast to receive a rate mitigating benefit of 0.5 ¢/kWh by 2034. This
8 rate mitigating benefit is consistent with the least-cost delivery of reliable service to
9 customers.¹

¹ Section 3(b)(iii) of the *Electrical Power Control Act, 1994* requires, in effect, that customers receive reliable service at the lowest possible cost. For further information, see the *2021 Electrification, Conservation and Demand Management Application*, Volume 1, Evidence, Section 3.3.2 Economic Justification.