

- 1 **Q. (Reference Capital Plan, page 12) Table 3 shows Newfoundland Power’s contribution**  
 2 **to revenue requirement in 2014 and 2021.**  
 3  
 4 **a) Please clarify whether this contribution is meant to apply solely to Newfoundland**  
 5 **Power’s capital expenditures.**  
 6 **b) Please revise Table 3 to include (i) rate base, (ii) Board authorized return on rate**  
 7 **base, and (iii) Board authorized return on common equity, for each of the two**  
 8 **years.**  
 9  
 10 **A. (a) The contribution to revenue requirement shown in Table 3 in the 2022 Capital Plan**  
 11 **reflects Newfoundland Power’s total contribution to revenue requirement and is not**  
 12 **solely related to capital expenditures.<sup>1</sup>**  
 13  
 14 **(b) Table 1 provides the additional information requested.**

**Table 1**  
**Contribution to Revenue Requirement, Rate Base and**  
**Board Authorized Return on Rate Base and Return on Common Equity**  
**(\$million)**

	2014 <sup>2</sup>	2021 <sup>3</sup>	Change
<b>Contribution to Revenue Requirement</b>			
Actual	212.9	226.5	6%
Inflation-Adjusted	232.2	226.5	-2%
<b>Rate Base</b>			
Actual	955.4	1,179.1	23%
Inflation-Adjusted	1,055.3	1,179.1	12%
<b>Board Authorized Return on Rate Base</b>			
Actual	75.2	83.0	10%
Inflation-Adjusted	82.0	83.0	1%
<b>Board Authorized Return on Common Equity</b>			
Actual	38.2	45.1	18%
Inflation-Adjusted	41.6	45.1	8%

<sup>1</sup> See the 2022 Capital Budget Application, 2022 Capital Plan, Section 2.3.2 Revenue Requirement Perspective, which discusses the Company’s revenue requirements.

<sup>2</sup> Based on Newfoundland Power’s 2014 test year revenue requirements, rate base and returns approved by the Board in Order No P.U. 13 (2013).

<sup>3</sup> Based on Newfoundland Power’s 2020 test year revenue requirements, rate base and returns approved by the Board in Order No P.U. 31 (2019).