Office of the Consumer Advocate

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September 7, 2021

Board of Commissions of Public Utilities
120 Torbay Road, P.O. Box 2140
St. John's, NL A1A 5B2

Attention: G. Cheryl Blundon, Director of Corporate Services / Board Secretary

Dear Ms. Blundon:

RE: Newfoundland Power's 2022-2023 General Rate Application

Further to the above-captioned, enclosed are the Consumer Advocate's Requests for Information numbered CA-NP-176 to CA-NP-208.

If you have any questions regarding the enclosed, please contact the undersigned at your convenience.

Yours truly,

Stephen Fitzgerald
Counsel for the Consumer Advocate

Encl.
/bb

cc. **Newfoundland Power Inc.**
Regulatory (regulatory@newfoundlandpower.com)
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IN THE MATTER OF the *Electrical Power Control Act,* 1994 SNL 1994, Chapter E-5.1 (the *"EPCA"*) and the *Public Utilities* Act, RSNL 1990, Chapter P-47 (the "*Act*"), as amended, and regulations thereunder; and

IN THE MATTER OF a general rate application by Newfoundland Power Inc. to establish customer electricity rates for 2022 and 2023.

CONSUMER ADVOCATE
REQUESTS FOR INFORMATION

CA-NP-176 to CA-NP-208

Issued: September 7, 2021

CA-NP-176 (Reference CA-NP-001) The response provides historical data for the past 20 years and forecast data for the years 2021 through 2026 relating to rate base, revenue requirement, capital budgets and year-over-year rate changes. Please confirm, or correct as necessary, the following:

a) Average rate base increased by 117% from 2001 to 2020, representing an average annual increase of 4.15% over the period.

b) Average rate base is forecast to increase by 23% from 2020 to 2026, representing an average annual increase of 3.5% over the period. Please provide a graph showing average rate base amounts in each year from 2001 through 2021, forecast from 2001 through 2026, and from 2027 to 2035 if amounts beyond 2026 increase by 3.5% annually. On the same graph, please show the number of customers in each year from 2001 through 2021, forecast from 2001 to 2026, and from 2027 to 2035 if the number of customers increases by the average annual increase from 2020 to 2026 (forecast).

c) Revenue requirement excluding purchase power costs increased by 50% from 2001 to 2020.

d) Proposed capital budget amounts increased by 77% from 2001 to 2021, representing an annual average increase of 2.9%. Please provide a graph showing capital budget amounts in each year from 2001 through 2021 and through 2035 if amounts increase by 2.9% per year after 2021. On the same graph, please show the number of customers in each year from 2001 through 2021, forecast from 2001 to 2026, and from 2027 to 2035 if the number of customers increases by the average annual increase from 2020 to 2026 (forecast).

e) Every dollar of the proposed capital budget from 2002 to 2021 was approved by the Board.

CA-NP-177 (Reference CA-NP-001) The response provides historical data for the past 20 years and forecast data for the years 2021 through 2026 relating to rate base, revenue requirement, capital budgets and year-over-year rate changes. In 18 of the 21 years since 2001 Newfoundland Power has exceeded the approved capital budget amount and in 3 years Newfoundland Power has spent less than the approved capital budget amount. For the 3 years (2016, 2017 and 2021) that Newfoundland Power has spent less than the approved capital budget amounts:

a) Explain why the approved amounts were not spent. Is the underspending in 2021 related to Covid-19?

b) In 2016 and 2017 did Newfoundland Power fail to meet its mandate? If not, why not? If so, how, and to what extent, were customers impacted?

c) Will Newfoundland Power fail to meet its mandate in 2021? If not, why not? If so, how, and to what extent, will customers be impacted?

d) In years when Newfoundland Power underspends the approved capital budget amounts that Newfoundland Power claims are required if it is to meet its mandate, what actions are available to the Board to address Newfoundland Power's failure to meet its mandate, and what actions should the Board take, for example, in 2021?

CA-NP-178 (Reference CA-NP-001) The response provides historical data for the past 20 years and forecast data for the years 2021 through 2026 relating to rate base, revenue requirement, capital budgets and year-over-year rate changes. In 18 of the 21 years since 2001 Newfoundland Power has exceeded the approved capital budget amount and in 3 years Newfoundland Power has spent less than the approved capital budget amount. For the 18 years that Newfoundland Power has spent more than the approved capital budget amounts:

a) Explain why Newfoundland Power has consistently spent more than the approved budget amounts (in 18 of the past 21 years) and the actions it has taken to guard against continued overspending of approved capital budget amounts going forward.

b) Has the Board ever failed to approve an over-spent amount, and if so, what was the Board's explanation?

CA-NP-179 (Reference CA-NP-006) It is stated "*Newfoundland Power's Cost of Service Study filed as part of its 2022/2023 General Rate Application is based on actual costs incurred in 2019 and the functional classification of purchased power costs based on Hydro's 2019 Test Year Cost of Service Study used to set rates.*"

a) Is it common in this jurisdiction to base cost of service studies on a historic test year?

b) Please provide a list of Newfoundland Power GRAs with cost of service studies based on historic test years.

c) Under current legislation is Newfoundland Power allowed to base its cost of service study on a historic test year?

d) Does basing the cost of service study on a historic test year change Newfoundland Power's risk profile?

CA-NP-180 (Reference CA-NP-007) Please confirm that in Order No. P.U. 16(2019) the Board directed Hydro to "*file its next GRA no later than September 30, 2020 for rates based on a 2021 Test Year*" and that Hydro requested a delay in the filing owing to uncertainties relating to Muskrat Falls and rate mitigation and the resulting inability of Hydro to "*prepare a GRA filing that would reasonably reflect the costs that Hydro will incur in providing electrical service to its customers for use in determining proposed customer rates.*" (see April 15, 2019 letter from Hydro to the Board titled "*Application to Delay the Filing of Newfoundland and Labrador Hydro's*

Next General Rate Application"). Please confirm that Newfoundland Power could have requested a delay in filing its GRA for the same reasons.

CA-NP-181 (Reference CA-NP-009) It is stated "*Newfoundland Power's power supply costs in 2019 reflect the Newfoundland and Labrador Hydro ("Hydro") Utility rate approved by the Board in Order No. P.U. 15 (2018) and Order No. P.U. 30 (2019)*." Further, it is stated "*The Hydro Utility rate used to determine Newfoundland Power's power supply costs in the 2022 and 2023 test years was approved by the Board in Order No. P.U. 30 (2019).*"

a) Please confirm that while the Board approved the Utility rate in Order No. P.U. 30(2019), it has not approved use of this rate in Newfoundland Power's 2022 and 2023 test years.

b) Please confirm that rates proposed in the 2022-2023 GRA are based on the cost of service study for the 2023 test year.

c) Given that Hydro requested a delay in the filing of its GRA owing to uncertainties relating to Muskrat Falls and rate mitigation and its resulting inability to reasonably reflect the costs that it would incur for use in determining proposed customer rates (see April 15, 2019 letter from Hydro to the Board titled "*Application to Delay the Filing of Newfoundland and Labrador Hydro's Next General Rate Application*"), please confirm that the Utility rate approved in Order No. P.U. 30(2019) does not reflect the rate that Newfoundland Power expects to pay for purchased power in 2023.

CA-NP-182 (Reference CA-NP-013 (b), NLH-NP-030 and NLH-NP-032) In CA-NP-013(b) it is stated "*Newfoundland Power is currently completing a heat pump load research study.*" In NLH-NP-030 it is stated "*Newfoundland Power's most recent load research study was completed on June 16, 2006 and was filed as part of the Company's 2008 General Rate Application.*" In NLH-NP-032 it is stated "*The Company's next load research study is anticipated to commence after Muskrat Falls Project costs are reflected in customer rates*."

a) Other than the heat pump load research study, is Newfoundland Power conducting any other load research at this time? If so, please provide details. If not, please explain why Newfoundland Power believes that the study conducted in 2006 remains relevant today and results in a fair allocation of costs to customer classes in the 2023 test year, particularly in light of the high conversion rate to heat pumps.

b) Is it advisable for the Board to delay approval of Newfoundland Power's proposed electrification program until it has better load research data, particularly given that if EV charging is not properly managed electrification could result in significant cost increases rather than decreases for customers? Can the Board make an

informed decision on electrification in the absence of such critical information?

c) Following the conduct of a proper load research study, will Newfoundland Power be able to develop typical load profiles for its customers? For example, will Newfoundland Power have the information available to develop load profiles for its household customers under the following scenarios: 1) with electric baseboard heating, electric hot water and EV charging, 2) with electric heat pump, electric hot water and EV charging, 3) with non-electric heating, electric hot water and EV charging, 4) with non-electric heating, non-electric hot water and EV charging, 5) with non-electric heating, electric hot water and no EV charging, etc.?

d) What is the expected cost for Newfoundland Power to update its load research information and how long would it take to conduct the analysis?

CA-NP-183 (Reference CA-NP-023) It is stated "*The first perspective is through a decline in revenue that would materialize through declines in energy sales. For example, risks associated with the province's challenging economic conditions would primarily materialize through declines in energy sales.*" Is Newfoundland Power's proposed increase in return from 8.5% to 9.8% also a risk to the province's challenging economic conditions and likely to result in reduced sales and revenues? By proposing an increased return, is Newfoundland Power in fact contributing to its own demise via the utility death spiral? Did Newfoundland Power consider reducing its return in an effort to reduce this risk?

CA-NP-184 (Reference CA-NP-29(e)) It is stated "*On July 28, 2021, the Provincial Government and the Federal Government announced an agreement-in-principle to mitigate rate impacts associated with the Muskrat Falls Project. The mitigated customer rate target was updated to 14.7 ¢/kWh, or approximately 9% higher than the previously indicated target of 13.5 ¢/kWh.*" How does this impact the proposals in Newfoundland Power's 2022-2023 GRA? Does it mean that the demand and cost data used in the 2023 test year are even less reflective of expectations?

CA-NP-185 (Reference CA-NP-029(g)) Newfoundland Power states *Customer CDM and electrification programs are complementary. As customers' energy usage increases through electrification, it becomes increasingly important to manage impacts on system peak and related system costs through CDM. Both CDM and electrification programs result in lower overall costs for customers.* This statement implies that CDM is an important means for reducing system peak. The original RFI asked if CDM programs do reduce

energy consumption then would that effect more than offset the rate mitigating effects of increased consumption due to electrification.

(a) Please compare the amount of increased energy consumption due to Newfoundland Power's electrification programs to the amount of reduced energy consumption due to Newfoundland Power's CDM programs over the 2021-2025 period.

(b) Based on the two consumptions impacts, what would be the net rate mitigation effect of electrification?

CA-NP-186 (Reference CA-NP-033(b)) Newfoundland Power again states *Customer CDM and electrification programs are complementary. As customers' energy usage increases through electrification, it becomes increasingly important to manage impacts on system peak and related system costs through CDM. Both CDM and electrification programs result in lower overall costs for customers.*

(a) Newfoundland Power's statement emphasizes the importance of CDM programs to manage impacts of electrification on system peak. Does Newfoundland Power agree with this interpretation of its statement?

(b) To the extent that CDM programs reduce energy consumption, how can increased energy consumption due to electrification and decreased energy consumption due to CDM be complementary?

CA-NP-187 (Reference CA-NP-033(c)) Newfoundland Power suggests that CDM programs should not focus solely on reducing system peak and that programs focused solely on reducing system peak, other than *those that Newfoundland Power and Newfoundland and Labrador Hydro ("Hydro") already have in place through the Curtailable Service Option (Newfoundland Power) and the industrial curtailment program (Hydro)*, would not be cost-effective until after 2030. Newfoundland Power goes on to point out that its CDM programs over 2021-2025 would have some reducing effects on system peak.

(a) Is it accurate to interpret this to mean that these 2021-2025 CDM programs' primary intent is to reduce energy consumption and their impact on system peak would be a beneficial secondary impact?

(b) In Table 1, which is included in Newfoundland Power's response, among its CDM programs the Small Technology Program would reduce peak demand by 17.8 MW for a program cost of approximately $2.6 million but Benchmarking would reduce peak demand by 1.7 MW for a cost of almost $5 million; only about 10% of the impact for nearly double the cost. How can a $5 million expenditure to reduce system peak by 1.7 MW be cost-effective?

(c) Please provide Table 1 with an additional column showing the cost per MW of reduced peak demand for each program listed in that table.

(d) Are the reductions in peak demand, as given in the table, all collectively coincident with system peak?

CA-NP-188 (Reference CA-NP-036(b)) Newfoundland Power states *Based on reduced system costs, the benefit per kWh of CDM programs is estimated to be 8.3¢ per kWh over the period 2021 to 2025.* According to note 4, which accompanies Newfoundland Power's response, this figure of 8.3¢ is based on $107.4 million in system cost savings.

(a) Please provide a detailed breakdown of that estimated system cost savings.

(b) To achieve the $107.4 million outcome, how much is the associated CDM program costs and the estimated costs incurred by participating customers? Is the $107.4 million net of those costs? If not, please subtract those costs from the $107.4 million and provide the net benefit on a per kWh basis.

CA-NP-189 (Reference CA-NP-49(b)) It is stated "*It is confirmed that Newfoundland Power's AMR meters are not capable of the interval metering necessary to support time-of-use rates.*"

a) Has Newfoundland Power considered use of load profiling with its AMR technology in lieu of procuring and installing a costly AMI system?

b) Does Newfoundland Power have the load research data necessary to develop load profiles, or would it have to wait until completion of a detailed load research study?

c) What would it cost to offer TOU rates under a load profiling scenario?

d) Could Newfoundland Power obtain such load profile information in the marketplace, and if so, at what cost?

CA-NP-190 (Reference CA-NP-053) Have customers indicated a preference for stable rates over rate reductions?

CA-NP-191 (Reference CA-NP-054) It is stated "*No, Newfoundland Power did not incorporate any of the Midgard recommendations its 2022 Capital Budget Application. Midgard's recommendations have not been adopted by the Board. Accordingly, the Company's 2022 Capital Budget Application was developed to comply with the Board's existing Capital Budget Application Guidelines.*"

a) Please confirm that NL Hydro already implements some of Midgard's recommendations in its 2022 CBA.

b) Please confirm that Newfoundland Power has no intention of implementing any of Midgard's recommendations until the Board adopts such recommendations in the Capital Budget Guidelines.

CA-NP-192 (Reference CA-NP-063) It is stated "*Additionally, the table on page 69 of the Fortis Inc. 2020 Annual Report shows that FortisAlberta, FortisBC Energy, FortisBC Electric, Newfoundland Power, Maritime Electric and FortisOntario are regulated on a cost of service basis.*" Is the information in the quote correct, or are some of these utilities subject to incentive, or performance-based, regulation?

CA-NP-193 (Reference CA-NP-064) It is stated "*When adjusted for inflation, Newfoundland Power's operating cost per customer is forecast to be approximately 16% less in 2023 than it was in 2011.*" How does the 2023 figure compare to 2020?

CA-NP-194 (Reference CA-NP-110) It is stated "*Mr. Coyne agrees that regulation is intended to serve as a substitute or surrogate for competition in markets that are not competitive, such as regulated public utilities, which are generally considered to be natural monopolies.*"

a) Does Newfoundland Power agree? Is this statement universally accepted both in this jurisdiction and elsewhere in Canada and the United States?
b) Does Newfoundland Power agree that it is a monopoly electric distribution service provider in its designated franchise area?
c) Does Newfoundland Power agree that regulation has two primary functions: 1) to serve as a surrogate or substitute for competition in markets that are not competitive, and 2) to ensure customers are not subjected to market power abuse and predatory pricing practices by monopoly service providers?
d) Is it the Board's responsibility to regulate Hydro and Newfoundland Power and ensure that: 1) the regulatory regime serves as a surrogate or substitute for competition in the Province's electricity sector, and 2) customers are not subjected to market power abuse and predatory pricing practices, or do the utilities also bear some of this responsibility?
e) What actions are available to the Board if it finds that a utility is practicing predatory pricing? For example, can the Board rescind a utility's license to provide service, or are there no licensing requirements for electric utilities in the Province? Does the Board have the authority to break up a utility, for example, to split Newfoundland Power's franchise service area among three separate entities with separate management control and financing?

CA-NP-195 (Reference PUB-NP-010) It is stated "*As described above, Newfoundland Power intends to continue managing its capital and operating costs in a manner consistent with maintaining reliable, least-cost service to its customers in all operating environments and economic conditions.*"

a) In a competitive environment do businesses adapt to negative operating environment and economic conditions or do they disregard these negatives with a continued expectation that customers will not make any adjustments themselves to these negatives?
b) Is it the role of the Board and the regulatory process to ensure that the Province's electric utilities respond appropriately to the existing current economic situation in the province, or do the utilities also bear some of this responsibility?

CA-NP-196 (Reference PUB-NP-010) It is stated "*As described above, Newfoundland Power intends to continue managing its capital and operating costs in a manner consistent with maintaining reliable, least-cost service to its customers in all operating environments and economic conditions.*"
a) Does Newfoundland Power believe that regulation should act as a surrogate for competition when determining a reasonable return for itself, but not with respect to the resulting costs imposed on its customers?
b) Could ignoring the poor Provincial economy and its impact on customers be considered a form of market power abuse and predatory pricing, or is Newfoundland Power of the opinion that this falls under the responsibility of the Board, so if the Board approves Newfoundland Power's cost proposals it has in fact decided that the economic impacts on customers have been adequately addressed? Does Newfoundland Power believe that the Board must consider impacts of the economy on competitive companies and their ability to extract higher prices from customers and replicate these impacts in its decisions?

CA-NP-197 (Reference PUB-NP-010) It is stated "*As described above, Newfoundland Power intends to continue managing its capital and operating costs in a manner consistent with maintaining reliable, least-cost service to its customers in all operating environments and economic conditions.*"
a) Are Newfoundland Power and NL Hydro subject to the same legislation in the Province? If Newfoundland Power believes legislation treats the two utilities differently, please identify the differences.
b) Is it contrary to Newfoundland Power's obligation to its shareholders to adjust the management of its capital and operating costs to take into account the economic impacts of their decisions on its customers in a poor provincial economy?
c) If the answer to CA-NP-197(b) is "yes", if NL Hydro does adjust the management of its capital and operating costs to take into account the economic impacts of their decisions on its customers in a poor provincial economy, is NL Hydro acting contrary to the interests of its shareholders?

d) If the answer to CA-NP-197(b) is "no", has Newfoundland Power made any adjustments to the management of its capital and operating costs to take into account the economic impacts of their decisions on customers in a poor provincial economy?

CA-NP-198 (Reference PUB-NP-027) It is stated "*Changes in supply cost dynamics post-Muskrat Falls may also impact the amount of the energy supply cost variances in 2022 and 2023. Marginal energy costs are forecast to be substantially lower upon commissioning of the Muskrat Falls Project. For example, the latest marginal cost estimates from Hydro indicate a marginal energy rate of approximately 4.2 ¢/kWh, which is significantly less than the 18.165¢/kWh reflected in current customer rates.*" The response goes on to say, "*RSA transfers in 2022 and 2023 will ultimately depend on the energy variances from the 2022 and 2023 test years and the wholesale rate in effect in those years.*" Please confirm that Newfoundland Power will be in a much better position to forecast costs and demands driving retail rates after Hydro files its next GRA.

CA-NP-199 (Reference NLH-NP-031) It is stated "*it is estimated that 34,700 Domestic customers will have installed a heat pump over the period 2015 to 2021 (forecast).*" How many more heat pumps does Newfoundland Power forecast will be installed and by what date, and when does Newfoundland Power expect heat pump penetration to reach saturation?

CA-NP-200 (Reference NLH-NP-034) It is stated "*In Newfoundland Power's view, a rate design review should not commence prior to the resolution of these outstanding matters.*" Why is it appropriate to delay a rate design review and a load research study until Muskrat Falls-related issues are resolved but not the 2022-2023 GRA? Does Newfoundland Power believe that there is no need for customer rates to be fully-informed before being approved, or are customer rates of lesser importance than retail rate design and load research? Like Hydro, isn't Newfoundland Power lacking "*critical information needed to develop proposed customer rates (footnote 3*)?

CA-NP-201 (Reference NLH-NP-055) Please confirm that none of the press releases relating to the 2022-2023 GRA informed the public that Newfoundland Power is proposing to increase its rate of return from 8.5% to 9.8% which "*represents a 1.5% increase in the revenue required from customer rates.*" (page 1-8 of 2022-2023 GRA, Volume 1). Also, please confirm that none of the press releases informed the public that Newfoundland Power's proposals would increase its earnings applicable to common shares in 2022 from $38.6 million to $54.4 million, a difference of approximately $15.8 million.

CA-NP-202 (Reference CA-NP-069) (Application Volume 1, pages 3-42 and 3-43) It is stated "*Mr. Coyne recommends a fair rate of return on equity for Newfoundland Power of 9.8% based upon a capital structure with a 45% common equity component.*" The September 23, 2020 presentation by Fortis Inc. titled 2021-2025 Five-Year Outlook Conference Call provides the following: i) Fortis BC Electric - 9.15 ROE on 40% equity, ii) Fortis Alberta (electric) - 8.5% ROE on 37% equity, iii) Maritime Electric - 9.35% ROE on 40% equity, and iv) Fortis Ontario - 8.52% - 9.30% ROE on 40% equity.

a) Please explain why it is appropriate for NP to have an equity component of 45% when these Canadian Fortis companies have equity components that are 40% or less.

b) What return does Mr. Coyne recommend for a capital structure with a 40% common equity component?

c) What return does Mr. Coyne recommend for a capital structure with a 37% equity component?

In response to CA-NP-069, Mr. Coyne has declined to provide his estimate of a return required if Newfoundland Power had a capital structure of (b) 40% common equity component or (c) 37% equity component.

(a) Is Mr. Coyne intending to appear as a witness on behalf of Newfoundland Power at the GRA scheduled to commence on November 23, 2021?

(b) If so, as CA-NP-069 (b) and (c) will be put to him as a question following his oath or affirmation on the witness stand, please advise if he will continue to decline to answer these questions?

(c) If he does intend to eventually answer the questions voluntarily by follow-up undertaking, following cross-examination, please provide his answers now in response to CA-NP-069.

CA-NP-203 (Reference CA-NP-098) Newfoundland Power was asked to create a table similar to Table 3-16 at page 3-43 of Volume I of its General Rate Application, showing Fortis' common equity ratio, interest coverage ratio, cash flow to debt and interest coverage, and DBRS ratings since 2000. Newfoundland Power responded by indicating that such a table could be derived from Fortis Inc.'s annual reports which are publicly available.

(a) Would Newfoundland Power agree that if the Consumer Advocate derived this information and created the table requested then this would amount to the evidence of the Consumer Advocate?

(b) Is Newfoundland Power unable to derive the information requested in CA-NP-098 and create the table requested or is it unwilling?

CA-NP-204 (Reference CA-NP-100) Newfoundland Power was asked to confirm that Fortis had had very large common and preferred share issues over the last

few years and was further asked to provide details of both the amounts and the issue costs attached to these share issues. In response, Newfoundland Power directed the Consumer Advocate to find this information independently by reviewing Fortis Inc.'s annual reports.

(a) Would Newfoundland Power agree that it has the onus of proof in this GRA to establish its costs justifying its revenue requirement?

(b) Would Newfoundland Power agree that the costs of the share issues by Fortis are passed on to Newfoundland Power in the 0.50% flotation cost allowance used by Mr. Coyne.

(c) Would Newfoundland Power agree that it is seeking recovery of these costs in the GRA?

(d) Would Newfoundland Power agree that Fortis is the only party that would have full knowledge of these costs?

CA-NP-205 (Reference CA-NP-116) Mr. Coyne was asked, *inter alia*, to run a simple linear regression of the return of the TSX Utility Index against the return on the long Canada Bond and report the results. In response to CA-NP-116 Mr. Coyne indicated that he has not run the requested regression analysis. If Mr. Coyne is unwilling to do the requested regression analysis, can he provide the underlying data to allow external analysis of his data?

CA-NP-206 (Reference CA-NP-146) Mr. Coyne was asked whether he is aware of any published academic research that analyzes the intervalling effect related to betas based on weekly data. Leaving aside Mr. Coyne's opinion regarding the intervalling effect as set out in his response to CA-NP-146, can Mr. Coyne answer the question as to whether he is aware of any published academic research that analyzes the intervalling effect and, if so, can he identify this academic research?

CA-NP-207 (Reference CA-NP-130) Mr. Coyne was asked if he was aware of any published survey results over the last twenty-five years that informed the issue of what percentage of firms use DCF versus CAPM estimation techniques. In his answer Mr. Coyne referred to his own 2016 work. Besides his own work, can Mr. Coyne advise if he is aware of any published survey results over the last twenty-five years on cost of equity capital estimation techniques and any specific results for the rate of return for regulated utilities?

CA-NP-208 (Reference PUB-NP-003) Please provide a further table that shows for each year from 2010 to 2021 the earnings applicable to common shares for Newfoundland Power.

Dated at St. John's, Newfoundland and Labrador, this 7th day of September, 2021.

Per: 

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