

1 Q. **Reference: Schedule 1**

2 a) Does the proposed wholesale rate move NP from the current situation where it under-
3 collects revenues when demand is greater than forecast in the 2019 Test Year leading to a
4 July 1 rate increase for NP retail customers, to a situation where NP over-collects revenues
5 when demand is greater than forecast in the 2019 Test Year leading to a July 1 rate decrease
6 for NP retail customers (ignoring other components of the July 1 rate adjustment)?

7 b) More specifically, does NP currently pay about 18 cents/kWh for power purchases above
8 the 2019 Test Year forecast while collecting about 14 cents/kWh in revenues from its
9 Domestic customer class for a net loss of about 4 cents/kWh, whereas under the proposed
10 wholesale rate, NP will pay about 5.5 cents/kWh for power purchases above the 2019 Test
11 Year forecast while collecting about 14 cents/kWh from its Domestic customer class for a
12 net gain of about 8.5 cents/kWh?

13 c) Since the absolute value of the difference between the wholesale rate and the Domestic
14 rate would be larger, wouldn't that create the potential for greater volatility?

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17 A. This question is more suitable for Newfoundland Power Inc. ("Newfoundland Power") to address
18 in its 2024 Wholesale Rate Flow-Through Application proceeding. Please refer to Newfoundland
19 Power's response to Request for Information CA-NP-001 scheduled to be filed with the Board of
20 Commissioners of Public Utilities ("Board") on October 16, 2024.