

1 **Q. Reference: “2024 Rate of Return on Rate Base Application,” Newfoundland Power**
2 **Inc., November 23, 2023.**

3
4 **Please confirm that the proposed 2024 Rate has not been adjusted to mitigate any**
5 **elasticity effects and that additional revenue requirement was not added to offset the**
6 **price elasticity impact. If it has, please explain the rationale for doing so.**

7
8 Newfoundland Power’s Application does not include adjustments to its 2024 revenue
9 requirement for price elasticity effects. As outlined in the *2024 Rate of Return on Rate*
10 *Base* report, and in the responses to Requests for Information NLH-NP-002 and
11 NLH-NP-010, the calculation of the Company’s additional 2024 revenue requirement is
12 limited to its return on rate base and associated income tax effects of \$11.8 million.¹

¹ See section 5.0 *Revenue Requirement Impacts* in the *2024 Rate of Return on Rate Base* report filed with the Application.