

1 **Q. (Reference Application) In Mr. Bowman’s response to PUB-CA-026 relating to**
 2 **the 2025-2026 GRA, he states “Narragansett Electric Company in Rhode**
 3 **Island indicates that its smart meter program has a revenue to cost ratio of**
 4 **3.9. The cost of the program is expected to result in a bill increase over the**
 5 **first five years of \$2.46. This equates to about 5.6 cents Canadian per month**
 6 **over the first 5 years of the program. After that, bills would decrease.”**

7 **a) Please identify all projects/programs in NP’s 2025 CBA, and all NP CBAs**
 8 **since 2020, that have a benefit to cost ratio that exceeds 3.9.**

9 **b) Please identify the increase in the average customer bill in the five-year**
 10 **period following implementation of the electrification program proposed by**
 11 **NL Hydro and NP in the Electrification, Conservation and Demand**
 12 **Management Plan 2021-2025. Exclude the impacts of the conservation and**
 13 **demand management plan.**

14
 15 **A. a) In cases where a capital project is justified on an economic basis, the company will**
 16 **typically complete an evaluation of alternatives using a net present value (“NPV”)**
 17 **analysis.¹ As such, the Company cannot provide the information as requested.**

18
 19 **b) The electrification program proposed by Newfoundland and Labrador Hydro and**
 20 **Newfoundland Power in the *Electrification, Conservation and Demand Management***
 21 ***Plan 2021-2025* did not receive approval from the Board and was not implemented**
 22 **by the Company.²**

23
 24 An Electrification Cost Deferral Account (“ECDA”) was approved by the Board in
 25 2022.³ Charges to the ECDA began in 2022 and include costs associated with the
 26 electric vehicle (“EV”) charging infrastructure approved in Order No. P.U. 30 (2021)
 27 and costs associated with the EV Demand Management Pilot Project approved in
 28 Order No. P.U. 23 (2023).⁴ Recovery of costs in the ECDA has not been approved
 29 and therefore the costs are not impacting customer rates.⁵

¹ See, for example, projects such as *Distribution Feeder SCT-01 and BLK-01 Relocation, Outage Management System Upgrade, Application Enhancements, and LED Street Lighting Replacement.*

² See Order No. P.U. 33 (2022).

³ See Order No. P.U. 3 (2022) Amended 2.

⁴ See Newfoundland Power’s *2025/2026 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 3: Finance*, page 3-49, footnote 131.

⁵ Newfoundland Power’s *2025/2026 General Rate Application* proposes changes to the Rate Stabilization Clause to allow for recovery of deferred electrification costs over 10 years, commencing January 1, 2025. See Newfoundland Power’s *2025/2026 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 3: Finance*, page 3-47.