

- 1 **Q. (Reference Application) Please provide a list of projects that are included for**
2 **approval in the 2025 CBA, but whose costs will not be recovered from**
3 **customers, and provide the reasons why.**
4
- 5 A. Capital costs associated with projects and programs proposed in Newfoundland Power's
6 *2025 Capital Budget Application* are intended to be indirectly recovered from customers
7 through customer rates. Some costs may be offset by decreased operating costs
8 resulting from capital investments. The relationship between capital costs and customer
9 rates is therefore not a direct one.
10
- 11 Aside from costs recovered through rates, as indicated in paragraph 3 of the Application,
12 the proposed 2025 capital budget includes an estimated amount of \$2,500,000 in
13 contributions in aid of construction that would be demanded of customers and which will
14 be calculated in the manner approved by the Board. Contributions in aid of construction
15 are typically included in the *Extensions* and *Relocate/Replace Distribution Lines for Third*
16 *Parties* programs.