

1 **Section 1: Introduction**

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3 **Q. (Section 1, page 1-7) It is stated “In this Application, Newfoundland Power is**
4 **proposing an average increase in customer rates of approximately 5.5% effective July**
5 **1, 2025 to recover its 2025 and 2026 revenue requirements. This rate increase is**
6 **primarily the result of increases in the Company’s costs since its last general rate**
7 **application and a proposed increase in its return on equity.”**

8 **a) What are the average rates for Newfoundland Power’s customers expected to be**
9 **on June 30, 2024, July 1, 2024 and July 1, 2025?**

10 **b) What are the energy charges per kWh and the all-in energy rate for**
11 **Newfoundland Power’s Domestic customer class expected to be on June 30,**
12 **2024, July 1, 2014 and July 1, 2025?**

13 **c) Please provide a breakdown of the specific cost increases since the last GRA that**
14 **have contributed to the proposed rate increase of 5.5%.**

15 **d) What costs have decreased since the last GRA and how much has each**
16 **contributed to a reduction in dollar and percentage terms in the proposed rate**
17 **increase of 5.5%?**

18
19 **A. a) Average customer rates are estimated to be 13.8 ¢/kWh, 14.0 ¢/kWh, and**
20 **14.7 ¢/kWh on June 30, 2024, July 1, 2024 and July 1, 2025, respectively.¹**

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22 **b) The current domestic energy rate of 13.256 ¢/kWh will be in effect on June 30,**
23 **2024.² Customer rates are forecast to be 13.449 ¢/kWh on July 1, 2024 and 14.178**
24 **¢/kWh on July 1, 2025.³**

25
26 The all-in domestic rate is estimated to be 14.3 ¢/kWh, 14.5 ¢/kWh, and
27 15.3 ¢/kWh on June 30, 2024, July 1, 2024 and July 1, 2025, respectively.

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29 **c) See the response to Request for Information PUB-NP-002.**

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31 **d) As outlined in the response to Request for Information PUB-NP-002, sales growth**
32 **since the last GRA contributes \$8.9 million and a 1.1% decrease to the proposed**
33 **customer rate increase. The rebasing of employee future benefits contributes a**
34 **\$1.4 million and 0.2% decrease to the proposed customer rate increase.**

¹ July 1, 2025 estimated based on 2026 test year customer billings.

² See Order No. P.U. 17 (2023).

³ See the 2025/2026 General Rate Application, Volume 1, Exhibit 11.