

1 **Schedule B**3 **Q. (Schedule B, page 1 of 12) Rate #1.1 – Domestic Service:**

- 4 **a) How many customers have been in this rate class in each of the last 10 years?**
 5 **b) What is the basis for the basic customer charge, when was it last updated, and**
 6 **what was the reason for the update?**
 7 **c) What is the basis for the energy charge, when was it last updated and what was**
 8 **the reason for the update?**
 9 **d) How does the energy charge compare to the current system marginal cost of**
 10 **energy?**
 11 **e) If Newfoundland Power were directed by the Board to update this rate to better**
 12 **reflect current estimates of marginal costs, what would Newfoundland Power**
 13 **propose?**

- 14
 15 **A. a) Table 1 displays the number of customers in the Rate #1.1 Domestic Service**
 16 **customer rate class in each of the last 10 years.**

**Table 1:
 Number of Customers in Rate #1.1
 2014 to 2023**

Year	Number of Customers
2023	238,501
2022	237,054
2021	235,433
2020	233,801
2019	232,572
2018	231,479
2017	229,950
2016	228,042
2015	225,624
2014	222,935

- 17 **b) The recommendations of the *Retail Rate Review* conducted in 2010 (the “Retail Rate**
 18 **Review”) form the basis of Newfoundland Power’s current Domestic and General**
 19 **Service customer rate designs.**

20
 21 The Retail Rate Review consisted of a comprehensive review of Newfoundland
 22 Power’s domestic and general service rates and an evaluation of alternative rates. The
 23 review commenced following the Company’s *2008 General Rate Application*, and
 24 was completed in 2010. The Board implemented recommendations from the review,

- 1 as appropriate, in subsequent years.¹ Order No. P.U. 2 (2019) concluded the
2 implementation of the recommendations outlined in the Retail Rate Review.
3
4 The current basic customer charge and the current energy charge were last updated
5 effective July 1, 2023 pursuant to Order No. P.U. 17 (2023).
6
7 c) See part b) of this response.
8
9 d) See Attachment A.
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11 e) Newfoundland Power is currently undertaking an updated Rate Design Review, as
12 approved by the Board in Order No. P.U. 3 (2022). Newfoundland Power is not
13 proposing any changes to its rate designs at this time. The Company expects that any
14 changes in rate design will be considered by the Board subsequent to completion of
15 the ongoing Rate Design Review.

¹ For example: (i) in Order No. P.U. 13 (2013) the Board approved, among other things, changes in relation to the basic customer charge and changes to the Early Payment Discount; and (ii) in Order No. P.U. 18 (2016) the Board approved separate Basic Customer Charges under General Service Rate 2.1.

**Newfoundland Power Inc.
Domestic Service Rate #1.1 Energy Charge
and Marginal Energy Supply Cost**

**Newfoundland Power Inc.
Domestic Service Rate #1.1 Energy Charge and
Marginal Energy Supply Cost (2025F)**

Rate #1.1 All hours ¢/kWh	Marginal Energy Supply Costs				Annual All-Hours ¢/kWh
	Winter		Summer	Winter	
	On-Peak ¢/kWh	Off-Peak ¢/kWh	All-Hours ¢/kWh	All-Hours ¢/kWh	
14.178	12.240	10.338	2.995	11.193	5.712

Notes:

1. Domestic Service Rate #1.1 per 2025/2026 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Schedule B.
2. Marginal Energy Supply Cost is based on Newfoundland and Labrador Hydro’s Marginal Cost Update, October 2023.
3. Winter season defined as December through March.
4. On Peak Hours Winter 7:00 a.m. to 10:00 p.m., Monday through Friday.
5. On Peak Hours Summer 8:00 a.m. to 10:00 p.m., Monday through Friday.