

1 **General**

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3 **Q. In Newfoundland Power’s Nov 9, 2023 media release relating to the GRA, it is stated**  
4 **that an average rate increase of 1.5%, or \$1.50 on a \$100 electricity bill is proposed**  
5 **effective July 1, 2024, and an average increase of approximately 5.5%, or \$5.50 on a**  
6 **\$100 electricity bill is proposed effective July 1, 2025. The media release goes on to**  
7 **say “We know that these are challenging times for our customers and we**  
8 **understand that reliable service at affordable rates is more important now than**  
9 **ever” (Gary Murray, President and Chief Executive Officer, Newfoundland Power).**

- 10 **a) Please confirm that the quoted rate increases do not include future rate**  
11 **adjustments to collect revenue shortfalls in 2024, 2025 and 2026 that**  
12 **Newfoundland Power proposes to include in a deferral account for future**  
13 **recovery from customers. What would the rate increases be in dollar and**  
14 **percentage terms if Newfoundland Power were to collect the deferred amounts**  
15 **on July 1, 2024 and July 1, 2025?**
- 16 **b) Please confirm that this does not include other rate adjustments expected July 1,**  
17 **2024 and July 1, 2025 such as the accumulated balance in the Rate Stabilization**  
18 **Account as of March 31st, 2024, and changes in the Utility Rate charged by**  
19 **Hydro to Newfoundland Power as a result of Hydro’s Muskrat Falls Project**  
20 **Cost Recovery rider, the Rate Stabilization Plan and the Conservation and**  
21 **Demand Management Cost Recovery Adjustment. What would the rate**  
22 **increases be in percentage and dollar terms on July 1, 2024 and July 1, 2025 if**  
23 **these rate adjustments and the amounts in deferral amounts discussed in part**  
24 **(a) of this RFI are included?**
- 25 **c) What would the energy charge be in cents/kWh for Domestic customers on July**  
26 **1, 2024 and July 1, 2025 if all rate adjustments discussed in part (b) of this RFI**  
27 **are included? Please freeze the basic customer charge at today’s level.**
- 28 **d) Does Newfoundland Power agree that its press release of November 9, 2023,**  
29 **referred to above, understates the total average increase a customer will see on a**  
30 **\$100 electricity bill effective July 1, 2024 and effective July 1, 2025, from all**  
31 **sources?**

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33 **A. a) The proposed customer rate increases referenced in the Request for Information are**  
34 **based on Newfoundland Power’s 2024 Rate of Return on Rate Base Application and**  
35 **the proposals included in its 2025/2026 General Rate Application. This includes the**  
36 **amortization of 2024 and 2025 revenue shortfall amounts.**

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38 The proposed customer rate increases in these applications of 1.5% and 5.5%,  
39 respectively, do not include the annual July 1<sup>st</sup> rate adjustment which is subject to  
40 future applications to be filed by both Newfoundland and Labrador Hydro and the  
41 Company.

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43 Information required to file the application to adjust rates on July 1<sup>st</sup> will not be  
44 available until April at the earliest. However, Newfoundland Power estimates the

1 impact of the July 1<sup>st</sup> rate adjustments to be 7.5% on July 1, 2024 and 2.25% on  
2 July 1, 2025.<sup>1</sup>

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4 The total estimated average customer rate increase on July 1, 2024 is 9%, or \$9.00 on  
5 a \$100 electricity bill. The total estimated average customer rate increase on July 1,  
6 2025 is 7.75%, or \$7.75 on a \$100 electricity bill.

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8 b) See part a).

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10 c) The domestic energy charge, which reflects the customer rate proposals in  
11 Newfoundland Power's *2024 Rate of Return on Rate Base Application* and its  
12 *2025/2026 General Rate Application*, is 13.449 ¢/kWh on July 1, 2024 and  
13 14.178 ¢/kWh on July 1, 2025.<sup>2</sup>

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15 Incorporating estimated July 1<sup>st</sup> rate adjustments into these energy charges would  
16 increase the amounts to an estimated 14.5 ¢/kWh on July 1, 2024 and  
17 15.6 ¢/kWh on July 1, 2025.

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19 d) Newfoundland Power's press release of November 9, 2023 was issued for the purpose  
20 of notifying customers about its *2024 Rate of Return on Rate Base Application* and  
21 *2025/2026 General Rate Application* and the proposals contained therein. As such, it  
22 outlines the proposed customer rate changes that the Company is seeking in those  
23 applications.

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<sup>1</sup> See the *2025/2026 General Rate Application, Volume 2, Tab 3, Customer, Energy and Demand Forecast, 3.2 Energy Prices Outlook*.

<sup>2</sup> See the *2025/2026 General Rate Application, Volume 1, Exhibit 11*.