

- 1 **Q. (Reference CA-NP-001) Please confirm the following:**
 2 a) **Actual capital expenditures in 2021, 2022 and 2023 totaled \$412.9 million, or**
 3 **19.3% more than the capital budget amount of \$346.0 million approved by the**
 4 **Board in the same time frame.**
 5 b) **The forecast change in the domestic class energy charge from 2022 to 2025 is**
 6 **26.4% (7.4%, 9.4% and 7.6%).**
 7 c) **The domestic class energy charge is forecast to increase from today's charge of**
 8 **13.3 cents/kWh to 16.0 cents/kWh in 2026, an increase of 20.3%.**
 9
- 10 A. a) It is not confirmed. The approved capital budget amount for 2021, 2022 and 2023 totals
 11 \$343.8 million. The reported capital expenditures for 2021, 2022 and 2023 totals
 12 \$412.9 million but these totals also include work in progress amounts carried forward
 13 into subsequent years.
 14
 15 Table 1 provides the capital expenditures related solely to the 2021, 2022 and 2023
 16 approved capital budgets.

**Table 1:
Capital Expenditures
2021 to 2023
(\$millions)**

Year	Approved Budget	Capital Expenditure	Variance
2021	112.8	117.6	4.8
2022	108.1	121.5	13.4
2023 ¹	122.9	124.2	1.3
Total	343.8	363.3	19.5

17 Overall, from 2021 to 2023, capital expenditures were 5.7% higher than the approved
 18 budgets for those years.² This increase was driven by higher than anticipated new
 19 customer connections in each of these years as well as inflationary cost pressures and
 20 supply chain issues over that period.³
 21

- 22 b) It is confirmed. The forecast domestic class energy charge (¢/kWh) reflects the energy
 23 charge proposed in the Company's *2024 Rate of Return on Rate Base Application* and
 24 the estimated impact of the forecast annual July 1st rate adjustment increase of 7.5% in
 25 2024. The 2025 forecast energy charges reflect the proposals included in the
 26 Company's *2025/2026 General Rate Application*, as well as the estimated July 1st rate

¹ The capital expenditure amount for 2023 includes approximately \$10.8 million in carry overs for 2023 projects forecast to be completed in 2024. See the Company's *2023 Capital Expenditure Report* filed with the Board on March 28, 2024.

² $\$19.5 / \$343.8 = 5.7\%$

³ For detailed variance explanations, see the Company's *2021 Capital Expenditure Report* filed with the Board on February 28, 2022, the *2022 Capital Expenditure Report* filed with the Board on March 31, 2023 and the *2023 Capital Expenditure Report* filed with the Board on March 28, 2024.

- 1 adjustment of 2.25% in 2025. The July 1st rate adjustments primarily relate to increased
2 power supply costs. See the response to Request for Information CA-NP-144.
3 c) It is confirmed. See the explanation provided in part b). In addition, the 2026 forecast
4 also includes an estimated July 1st rate adjustment of 2.25% in 2026. The July 1st rate
5 adjustment primarily relates to increased power supply costs.