

1 **Q. (Reference PUB-NP-105)**

- 2 a) **What changes have occurred in Memorial University’s supply requirements**
 3 **since its rate was last evaluated in 2010?**
- 4 b) **Footnote 2 states “The range of cost recovery is fairly narrow around the class**
 5 **revenue to cost ratio of 104%. The analysis of within class cost recovery indicates**
 6 **the illustrative rate provides reasonable cost recovery from customers with low**
 7 **demand requirements and customers with high demand requirements.” Please**
 8 **confirm that this analysis considered only the level of demand requirements, and**
 9 **not the cost of facilities used to supply customers like Memorial University that**
 10 **are supplied directly from the 66kV transmission system versus customers who**
 11 **are supplied, for example, at 12.5kV.**
- 12 c) **Was the reasonableness of the rate compared to implementation of a rate for a**
 13 **new rate class that included Memorial University and the Rate 2.4 customers**
 14 **served directly from the 66kV transmission system?**

- 15
- 16 A. a) Memorial University’s supply requirements have not materially changed since the
 17 Memorial (“MUN”) Substation power transformer MUN-T2 was installed in 1976.¹
 18 This was detailed as part of the Company’s Application to construct the Long Pond
 19 (“LPD”) Substation on the north side of Memorial University’s campus.² The
 20 Application was approved by the Board in Order No. P.U. 5 (2019).

21

22 Large changes in Memorial University’s load profile are expected in the coming years
 23 due to the planned installation of electric boilers, the addition of new buildings, and
 24 the establishment of a capacity assistance agreement.³ In Newfoundland Power’s
 25 view, it would be appropriate to review the rate charged to Memorial University in
 26 conjunction with the Company’s ongoing Rate Design Review.⁴ This was also
 27 recognized by the Board. In Order No. P.U. 2 (2024) Reasons for Decision, the Board
 28 stated:

29

30 *“A review of the rates charged to MUN may be appropriate when more*
 31 *information is known about the anticipated changes in its load profile and when*
 32 *the ongoing rate design review by Newfoundland Power is completed.”⁵*

- 33
- 34 b) The analysis provided in the 2010 Rate Design Review evaluated Memorial
 35 University’s demand and energy revenue and costs in comparison to other customers
 36 within the General Service Rate #2.4 customer rate class. It did not include an
 37 analysis of the specific facilities serving Memorial University.⁶

1 The power transformer MUN-T2 was added to MUN Substation in 1976 to accommodate load growth on the University’s campus.

2 See Newfoundland Power’s 2019 Capital Budget Supplemental Application – Approval for the Addition of a Substation on the North Side of the MUN St. John’s Campus, Schedule C – Capital Budget Supplemental – Long Pond Substation Project, January 2019, page 3.

3 See Newfoundland Power’s 2025/2026 General Rate Application, Volume 1: Application, Company Evidence and Exhibits, Section 5: Customer Rates, page 5-8, footnote 19.

4 See the response to Request for Information PUB-NP-160.

5 See Order No. P.U. 2 (2024) Reasons for Decision, page 13, lines 13-15.

6 Memorial University receives service from Newfoundland Power at 12.5 kV and not 66 kV.

- 1 c) No, the reasonableness of the rate charged to Memorial University was not compared
2 to implementation of a new rate class that included General Service Rate #2.4
3 customers served directly from the 66 kV transmission system. Such a comparison
4 would not be appropriate as Memorial University receives service from
5 Newfoundland Power at 12.5 kV.