

1 **Section 1: Introduction**

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3 **Q. References: “2025/2026 General Rate Application,” Newfoundland Power Inc.,**
4 **December 12, 2023, vol. 1, Evidence, sec. 1.1.1, p. 1-1/13–15 and sec. 1.1.4, p. 1-6/17–**
5 **19.**

6 **Page 1-1, lines 13–15 state:**

7 **The number of customers served by Newfoundland Power is forecast to**
8 **increase by approximately 4,600, or 1.7%, from 2022 to 2026. Annual**
9 **weather-adjusted energy sales are forecast to increase by approximately 194**
10 **GWh, or 3.4%, over the same period.**

11
12 **Page 1-6, lines 17–19 state:**

13 **The provincial economic outlook remains weak with economic indicators**
14 **that continue to lag behind the rest of Canada, including historically low**
15 **housing starts.**

16
17 **Please reconcile these statements.**

18
19 **A.** Newfoundland and Labrador’s economy contracted in both 2022 and 2023 and the
20 provincial economic outlook remains weak.¹ Housing starts declined in 2023 and that
21 downward trend is forecast to continue.² As a result, Newfoundland Power is forecasting
22 modest customer growth.³ Among other factors, the increase in energy sales by 2026
23 reflects this customer growth and government electrification initiatives.⁴

¹ For a discussion on the provincial economic outlook and the Company’s service territory demographics, see the *2025/2026 General Rate Application, Volume 1, Company Evidence, Section 3, Finance*, pages 3-22 to 3-28.

² See the *2025/2026 General Rate Application, Volume 1, Company Evidence, Section 3, Finance*, Figure 3-1, page 3-24.

³ See the response to Request for Information PUB-NP-081 for details on Newfoundland Power’s forecast of customer growth/connections.

⁴ See the responses to Requests for Information PUB-NP-091 and PUB-NP-097 for information related to increases in forecast energy sales related to government electrification initiatives. See the response to Request for Information NLH-NP-002 for the increase in forecast energy sales related to new customer connections. For a fulsome discussion on Newfoundland Power’s sales forecast, see the *2025/2026 General Rate Application, Volume 2, Supporting Materials, Reports, Tab 3, Customer, Energy and Demand Forecast*.