

1 **Q. Section 2: Customer Operations/Operating Costs**

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3 **References: “2025/2026 General Rate Application,” Newfoundland Power Inc.,**
4 **December 12, 2023, vol. 1, Exhibits, exh. 3, p. 7/6–7 and exh. 5, p. 7/4–5.**

5 **a) Please provide a detailed breakdown by series of the Interest on Long-Term**
6 **Debt line item.**

7 **b) Please provide a detailed breakdown of what is included in the Other Interest**
8 **line item by year for 2022 to 2026 Forecast including 2023 Actuals and 2022 and**
9 **2023 Test Years.**

10 **c) Does Newfoundland Power have a policy or guidance on when it issues long-**
11 **term debt?**

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13 **A. a) Table 1 provides interest on long-term debt by series for 2025 and 2026 forecast.¹**

Table 1:
Forecast Interest on Long-Term Debt
2025 to 2026
(\$000s)

	2025	2026
Series AH	2,556	892
Series AI	2,508	2,474
Series AJ	4,385	4,329
Series AK	2,604	2,571
Series AL	3,377	3,336
Series AM	3,596	3,553
Series AN	2,985	2,951
Series AO	2,993	2,959
Series AP	2,625	2,597
Series AQ	3,419	3,383
Series AR	3,046	3,015
Series AS	4,506	4,460
New 2026	-	4,340
Total	38,600	40,860

¹ See the 2025/2026 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Exhibit 3, page 7, line 6.

1 b) Table 2 provides a breakdown of other interest for 2022 to 2026 forecast.²

**Table 2:
Other Interest
2022 to 2026F
(\$000s)**

	2022TY	2023TY	2022A	2023F	2023A	2024F	2025F	2026F
Demand Line ³	-	-	63	11	32	-	-	-
Credit Facility ⁴	401	909	390	2,725	2,511	3,541	4,695	3,972
Total Other Interest	401	909	453	2,736	2,543	3,541	4,695	3,972

2 Table 3 provides a breakdown of other interest for 2022 to 2026 forecast.⁵

**Table 3:
Other Interest
2022 to 2026F
(\$000s)**

	2022TY	2023TY	2022A	2023F	2023A	2024F	2025F	2026F
Demand Line	-	-	63	11	32	-	-	-
Credit Facility	401	909	390	2,725	2,511	3,541	3,531	1,635
Total Other Interest	401	909	453	2,736	2,543	3,541	3,531	1,635

3 c) Newfoundland Power does not have a policy on when it issues long-term debt. The
4 Company finances its operations through a combination of cash generated from
5 operations, borrowings under the Company's credit facilities, and issuances of
6 long-term debt. Typically, when credit facility borrowing requirements reach
7 sustained levels that are forecast to exceed \$90 million on a consistent basis, the
8 Company will determine the economic feasibility of a long-term debt issuance. This
9 considers forecast borrowing needs, forecast costs of issuance and capital market
10 conditions at that time. Historically, that has resulted in long-term debt issues every
11 two to three years.⁶

² See the 2025/2026 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Exhibit 3, page 7, line 7.

³ Newfoundland Power maintains a \$20 million unsecured demand facility.

⁴ Newfoundland Power maintains a \$100 million unsecured committed credit facility, which matures in August 2028.

⁵ See the 2025/2026 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Exhibit 5, page 7, line 5.

⁶ See response to Request for Information CA-NP-067.