

## 1 SECTION 3: FINANCE/FAIR RETURN

2  
3 **Q. Reference: NLH-NP-065 and PUB-NP-007, Attachment A**  
4 **Further to Table 1 in Newfoundland Power’s response to NLH-NP-065, please**  
5 **restate Table 1 to assume the rate structure proposed in the illustrative example**  
6 **within Attachment A of Newfoundland Power’s response to PUB-NP-007 was**  
7 **implemented January 1, 2024.**

8  
9 A. Table 1 provides the *pro forma* impact on 2024 contribution margin for the requested  
10 scenario.

**Table 1:**  
**2024 Pro Forma Scenario**  
**(\$millions)**

	<b>2024 Existing<sup>1</sup></b>	<b>Wholesale Rate Impact<sup>2</sup></b>	<b>2024 PF Existing</b>	<b>Sales Growth<sup>3</sup></b>	<b>RSA Impacts<sup>4</sup></b>	<b>Purchased Power Increase<sup>5</sup></b>	<b>2024 PF</b>
Revenue from Rates	740.8	(10.2)	<b>730.6</b>	35.6	-	-	<b>766.2</b>
Transfers to/from RSA	41.5	(47.6)	<b>(6.1)</b>	-	(10.8)	-	<b>(16.9)</b>
Less: Purchased Power Expense	522.8	(10.2)	<b>512.6</b>	-	-	15.4	<b>528.0</b>
Contribution Margin	<b>259.5</b>	<b>(47.6)</b>	<b>211.9</b>	<b>35.6</b>	<b>(10.8)</b>	<b>(15.4)</b>	<b>221.3</b>

<sup>1</sup> See Newfoundland Power’s 2025/2026 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Exhibit 3, Financial Performance: 2022 to 2025F, page 1.

<sup>2</sup> Associated with the decrease in purchased power expense related to using the proposed rate structure in PUB-NP-007 effective January 1, 2024. The Transfer to/from Rate Stabilization Account (“RSA”) amount relates to the *pro forma* change in the 2024 forecast Energy Supply Cost Variance account transfer.

<sup>3</sup> The 2024 *pro forma* domestic rate is an average rate based on customer rates as of March 1, 2022 for January to June and the proposed domestic customer rate from the 2024 Rate of Return on Rate Base Application for July to December.

<sup>4</sup> Reflects the transfer to the RSA associated with the 2024 Energy Supply Cost Variance account using the illustrative wholesale rate structure provided in the response to Request for Information PUB-NP-007, Attachment A, page 2 of 2.

<sup>5</sup> Based on the illustrative wholesale rate structure, which assumes a second block rate of 3.5 ¢/kWh.