

1 **Section 2: Customer Operations/Operating Costs**  
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3 **Q. Volume 1, Section 2, pages 2-1 to 2.2. Please provide a table that compares**  
4 **Newfoundland Power’s operating costs/customer for the period 2013 to 2023, not**  
5 **adjusted for inflation, to the U.S. peer group of companies that Newfoundland**  
6 **Power compares its cost-related metrics to for its annual peer group measures**  
7 **report that is filed with the Board.**  
8

9 A. Newfoundland Power has filed an annual peer group measures report with the Board  
10 since 2005.<sup>1</sup> This report compares the Company’s performance against a peer group of  
11 Canadian utilities for reliability and safety-related metrics, and a peer group of U.S.  
12 utilities for cost-related metrics.<sup>2</sup> Data for the U.S. peer group is based on information  
13 filed with the Federal Energy Regulatory Commission (“FERC”).<sup>3</sup>  
14

15 Table 1 provides Newfoundland Power’s operating costs per customer comparison to the  
16 U.S. peer group from 2013 to 2022.<sup>4</sup>

**Table 1:**  
**Operating Costs per Customer<sup>5</sup>**  
**2013 to 2022**  
**(\$000s)**

	<b>Newfoundland Power</b>	<b>U.S. Peer Group</b>
	<b>(CAD)</b>	<b>(USD)</b>
2013	321.1	446.3
2014	330.0	505.0
2015	326.3	529.1
2016	306.8	549.0
2017	305.5	563.2
2018	291.0	588.9
2019	274.7	573.2
2020	290.5	604.7
2021	288.1	567.8
2022	286.6	654.2

<sup>1</sup> The 2022 *Peer Group Performance Measures for Newfoundland Power* report was filed with the Board on February 7, 2024.

<sup>2</sup> The U.S. peer group includes Ameren Illinois Company, Atlantic City Electric Company, Central Hudson Gas & Electric, Delmarva Power & Light Company, Duke Energy Kentucky Inc., Duquesne Light Company, Green Mountain Power Corporation, Jersey Central Power & Light Company, Kingsport Power Company, Madison Gas and Electric Company, Metropolitan Edison Company, New York State Electric & Gas Corporation, Orange and Rockland Utilities Inc., Rockland Electric Company, The Narragansett Electric Company, Unitil Energy Systems Inc., West Penn Power Company and Wheeling Power Company.

<sup>3</sup> FERC requires major electric utilities under its jurisdiction to annually file prescribed information regarding their operations based on a FERC-defined system of accounts. The measures for the U.S. data are presented without any adjustment for exchange rates. With the significant shifting in exchange rates over time, converting U.S. dollar figures to Canadian values would distort cost trends.

<sup>4</sup> 2023 figures are not available for the U.S. peer group.

<sup>5</sup> Operating costs are presented in nominal dollars and are not adjusted for inflation.

1 Newfoundland Power’s operating costs per customer have consistently been lower than  
2 the U.S. peer group. From 2013 to 2022, Newfoundland Power has reduced its operating  
3 cost per customer by approximately 10.7% on a nominal basis, or 28.6% when adjusted  
4 for inflation. The operating cost per customer of the U.S. peer group has increased by  
5 46.6% on a nominal basis over the same period, or 15.1% when adjusted for inflation.  
6

7 This indicates that the Company’s cost performance is better than its U.S. peers.  
8 Newfoundland Power maintains that year-over-year trending of the Company’s own data  
9 is a more useful indication of performance than comparison with available data from  
10 other utilities.