

1 **Q. How does Newfoundland Power arrive at its new connection estimates?**

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3 A. Newfoundland Power's projection for new customer connections is primarily based on
4 forecasts of the number of housing starts provided by the *Conference Board of Canada*
5 and *Canada Mortgage and Housing Corporation*.
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7 Table 1 summarizes the calculation of new customer connections for 2016.
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Table 1
Calculation of Forecast New Customer Connections

	2016
Housing Starts:	
<i>Conference Board of Canada</i> ¹	2,147
<i>Canada Mortgage and Housing Corporation</i> ²	1,900
Average Housing Starts	2,024
Ratio of Housing Starts to New Households ³	0.9802
New Households	1,984
New Cottages and Other Non-Dwellings	289
Total Net Domestic Customers	2,273
Ratio of Net Domestic Customers to New Domestic Connections ³	1.4289
New Domestic Connections	3,248
Ratio of New Domestic Connections to New General Service Customer Connections ³	0.1795
New General Service Customer Connections	583
Total New Customer Connections	3,831

¹ *Conference Board of Canada*, Provincial Outlook, Economic Forecast, Winter 2015.

² *Canada Mortgage and Housing Corporation*, Housing Market Outlook - Canada Edition - Date Released: First Quarter 2015.

³ Ratios are calculated using historical information on an area basis.