

The Consumer Advocate

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October 5, 2018

Board of Commissions of Public Utilities
120 Torbay Road, P.O. Box 2140
St. John's, NL A1A 5B2

**Attention: G. Cheryl Blundon, Director of
Corporate Services / Board Secretary**

Dear Ms. Blundon:

RE: Newfoundland Power's 2019-2020 General Rate Application

Further to the above-captioned, enclosed please find the original and nine (9) copies of the Consumer Advocate's Witness List and Issues List as of October 5, 2018.

Please note that updates to the Consumer Advocate's Witness List and Issues List may be required to address any issues or matters arising prior to the hearing.

Yours truly,



**Dennis Browne, Q.C.
Consumer Advocate**

Encl.
/bb

cc **Newfoundland Power Inc.**
NP Regulatory (regulator.v@newfoundlandpower.com)
Gerard Hayes (ghayes@newfoundlandpower.com)
Kelly Hopkins (khopkins@newfoundlandpower.com)
Liam O'Brien (lobrien@curtisdawe.nl.ca)
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Mark Murray (mmurray@mwhslaw.com)
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Cheryl Blundon (cblundon@pub.nl.ca)
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PUB Official Email (ito@pub.nl.ca)

IN THE MATTER OF

the *Electrical Power Control Act, 1994*
SNL 1994, Chapter E-5.1 (the “*EPCA*”)
and the *Public Utilities Act, RSNL 1990*,
Chapter P-47 (the “*Act*”), as amended; and

IN THE MATTER OF a General Rate
Application filed by Newfoundland Power Inc.
to establish customer electricity rates for 2019
and 2020

**CONSUMER ADVOCATE’S WITNESS LIST
(October 5, 2018)**

The Consumer advocate currently expects he may call the following witnesses in this proceeding:

1. Professor Laurence D. Booth.
2. Dr. Sean Cleary.

The Consumer advocate reserves the right to call further or other witnesses as he considers appropriate to address issues or matters arising.

DATED at St. John’s, Newfoundland and Labrador, this 5th day of October, 2018.

Per:


Dennis Browne, Q.C.

Consumer Advocate

Terrace on the Square, Level 2, P.O. Box 23135
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CONSUMER ADVOCATE’S ISSUES LIST
(Submitted October 5, 2018)

In the Consumer Advocate’s submissions, the issues arising in the proceeding are as follows:

1. Forecast revenue requests for customer rates for 2019 of \$661,467,000 and for 2020 of \$664,118,000.
2. 2019-2020 Test Year Operating Costs.
3. Customer Energy and Demand Forecast.
4. Newfoundland Power’s application for a 9.5% rate of return on equity.
 - Such an application for a generous rate of return could not be justified in the best of economic circumstances and is particularly glaringly out of sync with current economic conditions prevalent in the province.
 - Newfoundland Power cannot justify any rate increase. Consumers will notice that Newfoundland Power’s annual after tax profits have now reached in excess of \$40,000,000 a year. Therefore, on average Newfoundland Power is making a monthly net after tax profit over \$3,000,000.00 from its customers and or in excess of \$100,000.00 a day”.

5. Newfoundland Power's capital structure - 2019 and 2020.
 - The Public Utilities Board has generously set Newfoundland Power's common equity ratio at 45%. This is a national anomaly. Other utilities: NS Power is at 37.5%; Fortis Alberta is at 37%; Fortis Ontario is at 40%; Fortis BC is at 40%; Maritime Electric is at 40%, Fortis Ontario is at 40%. The Public Utilities Board will now have an opportunity to right this wrong and set Newfoundland Power's common equity ratio downward which will be less costly for consumers.
6. Newfoundland Power's rate base for 2019 and 2020.
7. Conservation and Demand Management Initiatives and programing. In particular, the proposed discontinuation of the Instant Rebate program and the Benchmarking program in 2019.
8. Executive Compensation.
9. Any increase of rates, tolls and charges for any rate class.
10. Such other issues as may arise.

DATED at St. John's, Newfoundland and Labrador, this 5th day of October, 2018.

Per: _____


Dennis Browne, Q.C.

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