

IN THE MATTER OF

the *Electrical Power Control Act*, 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 (the "*Application*") by
Newfoundland Power Inc. to establish
customer electricity rates for 2013 and 2014.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NP-110 to PUB-NP-115

Issued: January 22, 2013

2013-2014 General Rate Application, Amortization of Deferrals

In Section 3.5.1 of the Application NP outlines its proposition to amortize over the three-year period: (i) cost recovery deferrals approved in 2010 for 2011, \$2,400,000, in 2011 for 2012, \$2,400,000, and in 2012 for 2012, \$2,500,000; (ii) third party hearing costs associated with this Application, \$1,250,000; (iii) the year end 2011 balance in the Weather Normalization Reserve, (\$7,005,000); and (iv) a 2013 revenue shortfall resulting from a forecast March 1, 2013 implementation of revised customer rates, netting to \$0 over the three-year period. The period of amortization is 2013, 2014 and 2015, and the total amount to be recovered is \$1,545,000.

PUB-NP-110 Please provide, in table format, a history over the ten-year period from 2003 to 2012, inclusive, of the deferrals requested by NP, indicating the following:

- i) The amount requested;
- ii) The composition of the amount requested;
- iii) The Board Order dealing with the application;
- iv) The length of the amortization period approved by the Board;
- v) A comparison of the actual total collected for each approved deferral with the amount approved to be recovered, noted as to whether there was total collection of the approved deferral, over-collection or under-collection;
- vi) A short description of how each deferral account has been terminated, or carried forward to a subsequent period.

PUB-NP-111 If NP decides that its next general rate application will be filed with a 2015 test year, what options does NP believe are available to deal with the under-collection that would result from the loss of one year of the three-year amortization period?

PUB-NP-112 If NP decides that its next general rate application will be filed with a 2017 test year, what options does NP believe are available to deal with the over-collection that would result from the end of the three-year amortization period at year end 2015 and the continuation of rates, initially intended to include the recovery of the deferral, for an additional year?

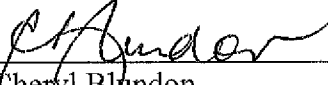
PUB-NP-113 What options are available to the Board to ensure that NP neither under-collects nor over-collects in rates the approved amounts of the deferrals that the Board permits to be recovered in subsequent years? Please include in your response any known impacts on NP and on ratepayers.

PUB-NP-114 If an approved deferred amount has been totally collected in rates and NP believes that it would not be efficient to adjust rates only on the basis of this change in the revenue requirement, is it an option, in NP's view, to continue to collect the approved amount in the deferral account, and, at year end, apply to the Board to dispose of this amount through the Rate Stabilization Account?

- 1 **PUB-NP-115** Is it also an option, in NP's view, to set rates for a defined period only to
2 ensure that deferral accounts, cost of equity and other matters are reviewed at
3 appropriate intervals? If yes, what is an appropriate interval?

DATED at St. John's, Newfoundland this 22nd day of January, 2013.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 
Cheryl Blandon
Board Secretary