

1 Q. **Reference: Application**

2 Please provide a table of the annual values from the years 1993 to 2025 for the following items:  
3 Hydro's total capital expenditure, the GDP deflator, Hydro's total capital expenditure expressed  
4 in real terms using the GDP deflator, the number of Hydro customers, Hydro real capital  
5 expenditures per customer. For 2024 and 2025 use the Conference Board of Canada's forecast  
6 for GDP deflator; for 2024 use Hydro's estimate of total spending and for 2025 use Hydro's 2025  
7 CBA figures.

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10 A. Newfoundland and Labrador Hydro's ("Hydro") capital actual expenditures from 2000 to 2023  
11 and forecast expenditures from 2024 to 2025 are provided in Table 1, in both nominal dollars as  
12 well as their values adjusted to 2024 dollars.<sup>1</sup> The values adjusted to 2024 dollars were  
13 calculated using the GDP<sup>2</sup> Implicit Price Deflators per The Conference Board of Canada,  
14 Canadian 5-Year Forecast, December 18, 2023.<sup>3</sup>

15 Hydro believes that the calculations of the real capital expenditure by customers would not be  
16 meaningful considering:

- 17 i. The small percentage of residential customers in Newfoundland and Labrador  
18 serviced directly by Hydro (approximately 38,000);
- 19 ii. The magnitude of capital expenditures required by a small number of Industrial  
20 customers; and
- 21 iii. That the majority of customers on the Island Interconnected System are served by  
22 Hydro's utility customer, Newfoundland Power Inc. ("Newfoundland Power"), but

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<sup>1</sup> The data provided in this response is for the period commencing in 2000, as provided in Hydro's response to CA-NLH-005 of the 2024 Capital Budget Application. Hydro believes that providing that data for additional years prior to 2000 is of limited value and does not warrant the amount of work necessary to provide the information.

<sup>2</sup> Gross domestic product ("GDP").

<sup>3</sup> Capital expenditures prior to 2021 are net of customer contributions.

1 draw significant benefit from Hydro’s capital budget expenditures as the main  
2 electricity generator.

3 Given the stark differences between Hydro’s Domestic customers and the Utility and Industrial  
4 customers, Hydro believes that performing a direct one-to-one comparison of capital  
5 expenditures per customer, where Newfoundland Power or an Industrial customer would be  
6 considered a single customer, would be misleading. Please refer to Table 1.

**Table 1: Actual and Forecast Expenditures  
2000-2024  
(\$000)**

Year	Nominal Dollars	Adjusted to 2024 Dollars
2000	38,563	67,150
2001	47,501	81,422
2002	40,217	68,088
2003	32,506	53,297
2004	27,964	44,406
2005	33,952	52,287
2006	41,217	61,876
2007	35,669	51,838
2008	46,246	64,629
2009	54,152	77,477
2010	55,553	77,280
2011	63,116	85,044
2012	77,252	102,833
2013	84,755	110,892
2014	204,728	262,756
2015	125,119	161,988
2016	203,941	262,167
2017	340,741	427,041
2018	156,985	193,544
2019	126,575	153,681
2020	87,555	105,219
2021	113,492	126,656
2022	103,408	107,179
2023	140,151	143,335
2024	153,742	153,742
2025	135,713	133,539