

- 1 **Q. Reference: “2022/2023 General Rate Application,” Newfoundland Power, May 27,**
2 **2021, Volume 1, Section 2, Pages 2-32 to 2-37.**
3
4 **Further to Tables 2-5, 2-6, 2-7, 2-8, 2-9, 2-10, and 2-11, please provide a comparison**
5 **of 2022 and 2023 costs to the test year(s) costs reflected in current customer rates.**
6 **Please provide the response using the categories provided in the tables but also**
7 **showing the changes in dollars and percentages.**
8
9 A. See Attachment A for the requested data tables and comparison. Current customer rates
10 are based upon the 2020 test year revenue requirement approved by the Board in Order
11 No. P.U. 2 (2019). Proposed customer rates are based upon the 2023 test year revenue
12 requirement.¹ Accordingly, the dollar and percentage changes are based on a comparison
13 of the 2023 test year figures to the 2020 test year figures.

¹ See the 2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Exhibit 10: Average Customer Billing Impacts.

Requested Data Tables

Requested Data Tables

Table 1 provides 2020 test year and 2022 and 2023 forecast gross operating costs as well as a comparison between 2020 test year and 2023 test year costs.

**Table 1:
Gross Operating Costs
(\$000s)**

2020TY	2022F	2023F	<u>2023F vs 2020TY</u>	
			(\$)	(%)
63,648	66,508	68,599	4,951	7.8%

Table 2 provides 2020 test year and 2022 and 2023 forecast operating costs by function as well as a comparison between 2020 test year and 2023 test year costs.

**Table 2:
Operating Costs by Function
(\$000s)**

Function	2020TY	2022F	2023F	<u>2023F vs 2020TY</u>	
				(\$)	(%)
Electricity Supply	29,768	28,705	29,422	(346)	(1.2%)
Customer Services	10,329	11,096	11,257	928	9.0%
General	23,551	26,707	27,920	4,369	18.6%
Total	63,648	66,508	68,599	4,951	7.8%

Table 3 provides 2020 test year and 2022 and 2023 forecast Electricity Supply operating costs by function as well as a comparison between 2020 test year and 2023 test year costs.

**Table 3:
Operating Costs – Electricity Supply
(\$000s)**

Function	2020TY	2022F	2023F	<u>2023F vs 2020TY</u>	
				(\$)	(%)
Distribution	10,274	9,487	9,741	(533)	(5.2%)
Transmission	1,048	978	999	(49)	(4.7%)
Substations	2,922	2,422	2,487	(435)	(14.9%)
Power Produced	3,761	4,027	4,122	361	9.6%
Administration & Engineering	8,137	8,433	8,657	520	6.4%
Telecommunications	1,380	1,374	1,397	17	1.2%
Environment	272	289	296	24	8.8%
Fleet Operations & Maintenance	1,974	1,695	1,723	(251)	(12.7%)
Total	29,768	28,705	29,422	(346)	(1.2%)

Table 4 provides 2020 test year and 2022 and 2023 forecast Customer Services operating costs by function as well as a comparison between 2020 test year and 2023 test year costs.

**Table 4:
Operating Costs – Customer Services
(\$000s)**

Function	2020TY	2022F	2023F	<u>2023F vs 2020TY</u>	
				(\$)	(%)
Customer Services	8,164	8,038	8,103	(61)	(0.7%)
Conservation	693	886	946	253	36.5%
Uncollectible Bills	1,472	2,172	2,208	736	50.0%
Total	10,329	11,096	11,257	928	9.0%

Table 5 provides 2020 test year and 2022 and 2023 forecast General operating costs by function as well as a comparison between 2020 test year and 2023 test year costs.

**Table 5:
Operating Costs – General
(\$000s)**

Function	2020TY	2022F	2023F	<u>2023F vs 2020TY</u>	
				(\$)	(%)
Information Systems	5,526	6,407	7,311	1,785	32.3%
Financial Services	1,793	1,942	1,997	204	11.4%
Corporate and Employee Services	14,824	16,052	16,267	1,443	9.7%
Insurances	1,408	2,306	2,345	937	66.5%
Total	23,551	26,707	27,920	4,369	18.6%

Table 6 provides 2020 test year and 2022 and 2023 forecast operating costs by breakdown as well as a comparison between 2020 test year and 2023 test year costs.

**Table 6:
Operating Costs by Breakdown
(\$000s)**

Function	2020TY	2022F	2023F	<u>2023F vs 2020TY</u>	
				(\$)	(%)
Labour	36,772	37,027	38,136	1,364	3.7%
Other	26,876	29,481	30,463	3,587	13.3%
Total	63,648	66,508	68,599	4,951	7.8%

Table 7 provides 2020 test year and 2022 and 2023 forecast labour costs by breakdown as well as a comparison between 2020 test year and 2023 test year costs.

**Table 7:
Labour Costs by Breakdown
(\$000s)**

Function	2020TY	2022F	2023F	<u>2023F vs 2020TY</u>	
				(\$)	(%)
Regular and Standby	31,525	31,677	32,634	1,109	3.5%
Temporary	2,348	2,050	2,108	(240)	(10.2%)
Overtime	2,899	3,300	3,394	495	17.1%
Total	36,772	37,027	38,136	1,364	3.7%