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June 12, 2024

Board of Commissioners
of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

Dear Ms. Galarneau:

Re: Application for July 1, 2024 Customer Rates

The enclosed application requests approval of: (i) the rate stabilization and municipal tax adjustments to be applied to customer electricity rates for the period July 1, 2024 to June 30, 2025; and (ii) a schedule of customer electricity rates for Newfoundland Power Inc. ("Newfoundland Power" or the "Company") to be effective as of July 1, 2024 (the "Application").

The proposed customer electricity rates are determined in accordance with the Rate Stabilization Clause included in the Company's *Schedule of Rates, Rules & Regulations*. The principal purpose of the Rate Stabilization Clause is to ensure variations in Newfoundland Power's purchased power costs from the amount reflected in base customer rates are recovered in a timely manner.

The proposed customer electricity rates also incorporate Newfoundland and Labrador Hydro's ("Hydro") proposed increase in the wholesale electricity rate charged by Hydro to Newfoundland Power, effective July 1, 2024 as outlined in its application filed with the Board of Commissioners of Public Utilities of Newfoundland and Labrador (the "Board") on May 28, 2024.

The average increase to customer bills resulting from the proposed rate stabilization and municipal tax adjustments is approximately 9.3%. The impact on customer bills will vary by customer and rate class.

Newfoundland Power Inc.

55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6

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The 9.3% increase in customer electricity rates is the result of:

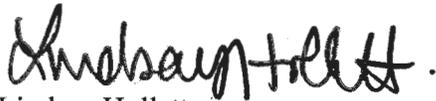
1. A 2.3% increase due to Hydro's updated wholesale rate adjustments; and
2. A 7.0% increase due to the increase in Newfoundland Power's Rate Stabilization Account balance, reflecting higher purchased power costs paid by the Company to Hydro in 2023, and update to its Municipal Tax Adjustment factor.

Further details of the proposed changes to existing customer rates and the *Schedule of Rates, Rules & Regulations* can be found in the report *Proposed Changes to Customer Rates* included as Schedule 1 to the Application.

In order to facilitate timely implementation of the rates proposed in this Application, Newfoundland Power is submitting this Application in advance of the Board issuing an order on Hydro's application.

We trust that the foregoing and enclosed are found to be in order. If you have any questions, please feel free to contact the undersigned.

Yours truly,



Lindsay Hollett
Senior Legal Counsel

Enclosures

cc. Shirley Walsh
Newfoundland and Labrador Hydro

Dennis M. Browne, K.C.
Browne Fitzgerald Morgan & Avis

IN THE MATTER OF the *Public Utilities Act*, R.S.N.L. 1990, Chapter P-47, as amended, (the “Act”); and

IN THE MATTER OF an application pursuant to section 70 of the Act (the “Application”) by Newfoundland Power Inc. (“Newfoundland Power”) for approval of: (i) the rate stabilization and municipal tax adjustments to be applied to electricity rates for the period July 1, 2024 to June 30, 2025; and (ii) a schedule of customer electricity rates (“Customer Rates”) for Newfoundland Power, to be effective on July 1, 2024.

TO: The Board of Commissioners of Public Utilities (the “Board”)

THE APPLICATION OF Newfoundland Power SAYS THAT:

A. Background

1. Newfoundland Power is a corporation duly organized and existing under the laws of the Province of Newfoundland and Labrador, is a public utility within the meaning of the Act, and is subject to the provisions of the *Electrical Power Control Act, 1994* (the “EPCA”).
2. The Act provides that the Board has the general supervision of public utilities and requires that a public utility, in effect, submit for the approval of the Board the rates, tolls and charges for the service provided by the public utility and the rules and regulations which relate to that service.
3. By Order No. P.U. 34 (1985), the Board approved Newfoundland Power’s establishment of a Rate Stabilization Account (“RSA”). The Rate Stabilization Clause included in Newfoundland Power’s *Schedule of Rates, Rules & Regulations* provides for the calculation of the balance in the RSA and the inclusion of a Rate Stabilization Adjustment in the rates charged by Newfoundland Power.
4. By Order No. P.U. 17 (1987), the Board ordered that municipal taxes no longer be included as an expense in the determination of revenue requirement but collected through a Municipal Tax Adjustment (“MTA”) factor included in the rates of Newfoundland Power. The Municipal Tax Clause included in Newfoundland Power’s *Schedule of Rates, Rules & Regulations* provides for the calculation of the MTA factor.
5. On May 7, 2024, the Government of Newfoundland and Labrador issued Order in Council OC2024-062 requiring Newfoundland and Labrador Hydro (“Hydro”) to

structure its applications for utility rate increases such that the retail rate increases to domestic rate class customers attributable to Hydro's costs are targeted at 2.25% per year, up to and including 2030.

6. On May 28, 2024, Hydro filed an application to increase the utility rate effective July 1, 2024, targeting the 2.25% customer rate increase to the domestic rate class, consistent with Order in Council OC2024-062. Hydro's application included revisions to its Rate Stabilization Plan ("RSP") Current Plan Adjustment, Conservation and Demand Management ("CDM") Cost Recovery Adjustment, and Project Cost Recovery Rider (collectively, the "Wholesale Rate Adjustments").

B. The Rate Stabilization Adjustment

7. The Rate Stabilization Adjustment is to be recalculated on July 1st of each year to reflect the accumulated balance in the RSA as of March 31st of the current year and any change in the utility rate charged by Hydro to Newfoundland Power as a result of revisions to Hydro's Wholesale Rate Adjustments.
8. The current Rate Stabilization Clause and the Rate Stabilization Adjustment of 1.180 ¢/kWh included in Newfoundland Power's Customer Rates for the period July 1, 2023 to June 30, 2024 were approved by the Board in Order No. P.U. 17 (2023).

C. The Municipal Tax Adjustment

9. The current Municipal Tax Clause was approved by the Board in Order No. P.U. 18 (2004). The MTA factor is to be recalculated on July 1st of each year to reflect taxes charged to Newfoundland Power by municipalities.
10. The MTA factor of 1.02472 included in Newfoundland Power's Customer Rates for the period July 1, 2023 to June 30, 2024 was approved by the Board in Order No. P.U. 17 (2023).

D. Schedules to the Application

11. Schedule 1 to this Application outlines the methodology used by Newfoundland Power to modify its Customer Rates for the recalculated Rate Stabilization Adjustment and MTA factor.
12. Schedule 2 presents the calculation of the Rate Stabilization Adjustment of 2.448 ¢/kWh proposed in the Application to be used by Newfoundland Power in billing customers for the period July 1, 2024 to June 30, 2025.
13. Schedule 3 presents the calculation of the MTA factor of 1.02407 proposed in the Application to be used by Newfoundland Power in billing customers for the period July 1, 2024 to June 30, 2025.

14. Schedule 4 sets out the Customer Rates proposed by Newfoundland Power to be effective on all electrical consumption on and after July 1, 2024.

E. Reasons for Approval

15. Approval by the Board of: (i) the Rate Stabilization Adjustment; (ii) the MTA factor; and (iii) the Customer Rates, all as proposed in the Application will permit cost recovery as provided for, and intended by, the Act, the EPCA and the Orders of the Board as set out in the Application.

F. Order Requested

16. Newfoundland Power requests that the Board approve:
- (i) the Rate Stabilization Adjustment of 2.448 ¢/kWh and the MTA factor of 1.02407 as set out in Schedules 2 and 3 to the Application, to be applied to all bills based on electrical consumption on and after July 1, 2024; and
 - (ii) pursuant to Section 70(1) of the Act, the schedule of rates, tolls and charges to be effective on all electrical consumption on and after July 1, 2024 as set out in Schedule 4 to the Application.

G. Communications

17. Communications with respect to the Application should be sent to Lindsay Hollett, Senior Legal Counsel to Newfoundland Power.

DATED at St. John's, Newfoundland and Labrador, this 12th day of June, 2024.

NEWFOUNDLAND POWER INC.



Lindsay Hollett
Senior Legal Counsel to Newfoundland Power
Newfoundland Power Inc.
P.O. Box 8910
55 Kenmount Road
St. John's, NL A1B 3P6

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IN THE MATTER OF the *Public Utilities Act*, R.S.N.L. 1990, Chapter P-47, as amended, (the “Act”); and

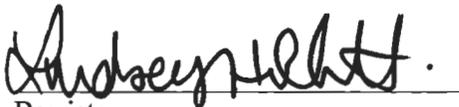
IN THE MATTER OF an application pursuant to section 70 of the Act (the “Application”) by Newfoundland Power Inc. for approval of: (i) the rate stabilization and municipal tax adjustments to be applied to electricity rates for the period July 1, 2024 to June 30, 2025; and (ii) a schedule of customer electricity rates for Newfoundland Power to be effective on July 1, 2024.

AFFIDAVIT

I, Brian Menchenton, of the City of St. John’s, in the Province of Newfoundland and Labrador, Chartered Professional Accountant, make oath and say as follows:

1. THAT I am the Director, Business and Regulatory Affairs of Newfoundland Power Inc.
2. THAT I have read and understand the foregoing Application.
3. THAT to the best of my knowledge, information and belief, all matters, facts and things set out in the Application are true.

SWORN TO before me at St. John’s in the Province of Newfoundland and Labrador this 12th day of June 2024:


Barrister


Brian Menchenton, CPA

IN THE MATTER OF the *Public Utilities Act*, R.S.N.L. 1990, Chapter P-47, as amended, (the “Act”); and

IN THE MATTER OF an application pursuant to Section 70 of the Act (the “Application”) by Newfoundland Power Inc. (“Newfoundland Power”) for approval of: (i) the rate stabilization and municipal tax adjustments to be applied to electricity rates for the period July 1, 2024 to June 30, 2025 and (ii) a schedule of customer electricity rates (“Customer Rates”) for Newfoundland Power to be effective on July 1, 2024.

**Proposed Changes to Customer Rates
July 1, 2024**

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1.0 Background

Newfoundland Power Inc.'s ("Newfoundland Power" or the "Company") electricity rates ("Customer Rates") are adjusted each year, effective July 1st. The annual adjustment to Customer Rates is required to incorporate: (i) an updated Rate Stabilization Adjustment; and (ii) an updated Municipal Tax Adjustment ("MTA") factor.¹

The annual July 1st rate adjustment corresponds to the annual change to the wholesale electricity rate (the "Utility Rate") charged by Newfoundland and Labrador Hydro ("Hydro") to Newfoundland Power. The Utility Rate is adjusted each July 1st as a result of the operation of Hydro's Rate Stabilization Plan ("RSP"), its Conservation and Demand Management ("CDM") Cost Recovery Adjustment and its Project Cost Recovery Rider (collectively, the "Wholesale Rate Adjustments").²

On May 7, 2024, the Government of Newfoundland and Labrador issued Order in Council OC2024-062 requiring Hydro to structure its applications for utility rate increases such that the retail rate increases to domestic rate class customers attributable to Hydro's costs are targeted at 2.25% per year up to and including 2030.

On May 28, 2024, Hydro filed an application to revise the Utility Rate effective July 1, 2024. The application included revisions to each of its Wholesale Rate Adjustments and resulted in a 2.25% customer rate increase to the domestic rate class, consistent with Order in Council OC2024-062.

Customer Rates currently reflect a Rate Stabilization Adjustment of 1.180 ¢/kWh and an MTA factor of 1.02472. Newfoundland Power's current customer rates were approved by the Board in Order No. P.U. 17 (2023) and became effective July 1, 2023.

The July 1, 2024 rate change requested in this Application is based upon: (i) a change in the Rate Stabilization Adjustment; and (ii) a change in the MTA factor. The relevant calculations are provided in Schedules 2 and 3.

2.0 Rate Stabilization Account and Municipal Tax Adjustment Rate Change

2.1 Rate Stabilization Adjustment

The Rate Stabilization Adjustment is recalculated on July 1st of each year to reflect any change in Hydro's Wholesale Rate Adjustments and the accumulated balance in Newfoundland Power's Rate Stabilization Account ("RSA") as of March 31st of the current year.

¹ See the Rate Stabilization Clause and the Municipal Tax Clause in the *Newfoundland Power Schedule of Rates, Rules & Regulations*, effective July 1, 2023.

² The Utility Rate consists of: (i) a base rate and (ii) the Wholesale Rate Adjustments.

A breakdown of Hydro's proposed July 1, 2024 rate adjustments is provided in Table 1.³

Table 1
Hydro's Wholesale Rate Adjustments
(¢/kWh)

	Existing	Change	Proposed
RSP Current Plan Adjustment	0.496	(0.035)	0.461
CDM Cost Recovery Adjustment	0.015	0.002	0.017
Muskrat Falls Project Cost Recovery Rider	0.798	0.326	1.124
Total Rate Adjustments	1.309	0.293	1.602

Hydro's proposed Wholesale Rate Adjustments total 1.602 ¢/kWh.

The 0.293 ¢/kWh increase in Hydro's July 1, 2024 rate adjustments translates to a 0.309 ¢/kWh increase in the Rate Stabilization Adjustment for Newfoundland Power's customers.⁴

Table 2 provides the proposed Rate Stabilization Adjustment:

Table 2
Rate Stabilization Adjustment
(¢/kWh)

	Existing	Change	Proposed
Rate Stabilization Adjustment	1.180	1.268	2.448

The Application proposes a Rate Stabilization Adjustment of 2.448 ¢/kWh to be effective July 1, 2024.

The total change in the Rate Stabilization Adjustment of 1.268 ¢/kWh is 0.959 ¢/kWh higher than the total impact of Hydro's July 1, 2024 rate adjustments of 0.309 ¢/kWh.⁵ The difference is due to an increase in the balance of Newfoundland Power's RSA as of March 31, 2024 relative to the balance reflected in existing Customer Rates.

The balance in the RSA increased from \$5.1 million owing to customers as of March 31, 2023 to \$51.7 million owing from customers as of March 31, 2024, reflecting higher power supply costs

³ See Hydro's *Application for July 1, 2024 Utility Rate Adjustments, Schedule 1 – Evidence Supporting Proposed Utility Rate Adjustments, Section 4.0 – Project Cost Recovery Rider*, Page 4, Table 1.

⁴ The 0.016 difference exists because Hydro's Wholesale Rate Adjustments are computed using Hydro energy sales to Newfoundland Power while Newfoundland Power's Rate Stabilization Adjustment is computed using Newfoundland Power energy sales to customers.

⁵ 1.268 ¢/kWh – 0.309 ¢/kWh = 0.959 ¢/kWh.

paid by Newfoundland Power to Hydro in 2023.⁶ The increase in the RSA balance translates to a Rate Stabilization Adjustment impact of 0.959 ¢/kWh.⁷

Schedule 2 of the Application sets out the calculation of the proposed Rate Stabilization Adjustment.

2.2 *Municipal Tax Adjustment Factor*

The Municipal Tax Clause included in Newfoundland Power’s *Schedule of Rates, Rules & Regulations* provides for the calculation of the MTA factor. The MTA factor is to be recalculated on July 1st of each year to reflect taxes charged to Newfoundland Power by municipalities.

Customer Rates currently reflect an MTA factor of 1.02472. The Company is proposing an MTA factor of 1.02407 to be effective July 1, 2024.

Schedule 3 of the Application sets out the calculation of the proposed MTA factor.

3.0 **Proposed Rates**

Appendix A to this report shows the conversion of the base rates to Customer Rates.⁸ The proposed Customer Rates include the proposed Rate Stabilization Adjustment of 2.448 ¢/kWh and the proposed MTA factor of 1.02407.

In converting base rates to Customer Rates, the Rate Stabilization Adjustment has been applied to the energy charges in each rate classification. The MTA factor is applied to all rate components. The calculation of final rates also incorporates a calculation to account for the effect of the early payment discount.

Appendix B to this report provides a summary of existing and proposed Customer Rates.

⁶ The principal purpose of the RSA is to ensure variations in the Company’s purchased power costs from the amount reflected in base customer rates are recovered in a timely manner.

⁷ The increase in the RSA balance translates to a Rate Stabilization Adjustment impact of 0.959 ¢/kWh as follows:

		March 31, 2024	March 31, 2023
Balance in RSA (\$)	A	51,726,434	(5,082,749)
Energy sales (kWh)	B	5,946,357,000	5,718,811,000
Rate Stabilization Adjustment impact (¢/kWh)	C = A / B	0.870	(0.089)
Difference (¢/kWh)		0.870 – (0.089) = 0.959	

⁸ The current base rates reflect Newfoundland Power’s 2023 test year revenue requirement which was approved by the Board in Order No. P.U. 3 (2022).

4.0 Customer Impact

Table 3 shows a reconciliation of existing customer billings to proposed customer billings.

Table 3
Average Customer Rate Change
(\$000s)

	Existing ⁹	Change	Proposed
Revenue from Rates	735,704	-	735,704
RSA	70,609	75,875	146,484
MTA	19,881	1,307	21,188
Customer Billings	<u>826,194</u>	<u>77,182</u>	<u>903,376</u>
Change			<u>77,182</u>
Change (%)			9.3%

The impact on Customer Rates of the change in the Rate Stabilization Adjustment and the MTA factor is an average increase of 9.3%.

The 9.3% increase in Customer Rates is the result of:

- (i) a 2.3% increase reflecting Hydro's updated Wholesale Rate Adjustments; and
- (ii) a 7.0% increase reflecting the increase in Newfoundland Power's RSA balance and update to its MTA factor.

Individual customer impacts will vary depending on usage.¹⁰

Appendix C to this report provides the average customer impacts by rate class.

⁹ Existing customer billings reflect 2024 forecast customer billings.

¹⁰ The impact of the increase in the Rate Stabilization Adjustment effective July 1, 2024 is comparatively lower for the Street and Area Lighting class, since the cost of purchased energy comprises a much smaller percentage of the cost of serving that class.

**Newfoundland Power Inc.
Conversion of Base Rates to Customer Rates¹**

Rate Class A	Base Rate B	Calculation C	Customer Rate D
Rate #1.1: Domestic Service			
Basic Customer Charge (B.C.C.)			
Not Exceeding 200 Amp Service	\$15.42	$\$15.42 \times (1 - 0.015) \times 1.02407 \times [1 / (1 - 0.015)]$	\$15.79
Exceeding 200 Amp Service	\$20.30	Final Not Exceeding 200 Amp Service B.C.C. plus \$5	\$20.79
Energy Charge - All kilowatt hours (¢/kWh)	11.738	$[11.738 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	14.566
Minimum Monthly Charge			
Not Exceeding 200 Amp Service	\$15.42	Same as B.C.C.	\$15.79
Exceeding 200 Amp Service	\$20.30	Same as B.C.C.	\$20.79
Rate #1.1S: Domestic Seasonal - Optional			
Basic Customer Charge (B.C.C.)			
Not Exceeding 200 Amp Service	\$15.42	Same as Rate 1.1 B.C.C	\$15.79
Exceeding 200 Amp Service	\$20.30	Same as Rate 1.1 B.C.C	\$20.79
Energy Charge (¢/kWh)			
Winter Seasonal	12.691	Same as Rate 1.1 Customer Energy Charge + 0.953	15.519
Non-Winter Seasonal	10.441	Same as Rate 1.1 Customer Energy Charge - 1.297	13.269
Minimum Monthly Charge			
Not Exceeding 200 Amp Service	\$15.42	Same as B.C.C	\$15.79
Exceeding 200 Amp Service	\$20.30	Same as B.C.C	\$20.79
Rate #2.1: General Service 0-100 kW			
Basic Customer Charge (B.C.C.)			
Unmetered	\$11.60	Final B.C.C Single Phase minus \$8	\$11.88
Single Phase	\$19.41	$\$19.41 \times (1 - 0.015) \times 1.02407 \times [1 / (1 - 0.015)]$	\$19.88
Three Phase	\$31.13	Final B.C.C Single Phase plus \$12	\$31.88
Demand Charge (per kW)			
Winter	\$9.47	Other Demand Charge plus \$2.50	\$9.70
Other	\$7.03	$\$7.03 \times (1 - 0.015) \times 1.02407 \times [1 / (1 - 0.015)]$	\$7.20
Energy Charge (¢/kWh)			
First 3,500 kWh	11.602	$[11.602 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	14.426
All Excess kWh	8.717	$[8.717 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	11.472
Maximum Energy Charge (¢/kWh)	20.167 + B.C.C.	$[20.167 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	23.198 + B.C.C.
Minimum Monthly Charge			
Unmetered	\$11.60	Same as B.C.C. Unmetered	\$11.88
Single Phase	\$19.41	Same as B.C.C. Single Phase	\$19.88
Three Phase	\$31.13	Same as B.C.C. Three Phase	\$31.88

¹ Customer Rates calculated based upon July 1, 2024 Rate Stabilization Adjustment and Municipal Tax Adjustment Factor.

Newfoundland Power Inc.
Conversion of Base Rates to Customer Rates¹

Rate Class A	Base Rate B	Calculation C	Customer Rate D
Rate #2.3: General Service 110-1000 kVA			
Basic Customer Charge (B.C.C.)	\$47.67	$\$47.67 \times (1 - 0.015) \times 1.02407 \times [1 / (1 - 0.015)]$	\$48.82
Demand Charge (per kVA)			
Winter	\$7.95	Other Demand Charge plus \$2.50	\$8.14
Other	\$5.51	$\$5.51 \times (1 - 0.015) \times 1.02407 \times [1 / (1 - 0.015)]$	\$5.64
Energy Charge (¢/kWh)			
First 150 kWh/kVA of billing demand (max. 50,000 kWh)	9.871	$[9.871 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	12.654
All Excess kWh	7.961	$[7.961 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	10.698
Maximum Energy Charge (¢/kWh)	20.167 + B.C.C.	$[20.167 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	23.198 + B.C.C.
Minimum Monthly Charge	\$47.67	Same as B.C.C.	\$48.82
Rate #2.4: General Service 1000 kVA and Over			
Basic Customer Charge (B.C.C.)	\$83.07	$\$83.07 \times (1 - 0.015) \times 1.02407 \times [1 / (1 - 0.015)]$	\$85.07
Demand Charge (per kVA)			
Winter	\$7.63	Other Demand Charge plus \$2.50	\$7.81
Other	\$5.19	$\$5.19 \times (1 - 0.015) \times 1.02407 \times [1 / (1 - 0.015)]$	\$5.31
Energy Charge (¢/kWh)			
First 75,000 kWh	9.519	$[9.519 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	12.293
All Excess kWh	7.883	$[7.883 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	10.618
Maximum Energy Charge (¢/kWh)	20.167 + B.C.C.	$[20.167 \times (1 - 0.015) + 2.448] \times 1.02407 \times [1 / (1 - 0.015)]$	23.198 + B.C.C.
Minimum Monthly Charge	\$83.07	Same as B.C.C.	\$85.07

¹ Customer Rates calculated based upon July 1, 2024 Rate Stabilization Adjustment and Municipal Tax Adjustment Factor.

Newfoundland Power Inc.
Conversion of Base Rates to Customer Rates¹

Rate Class A	Base Rate B	Monthly kWh C	Calculation D	Final Rate E
Rate #4.1: Street and Area Lighting Service²				
<i>High Pressure Sodium</i>				
HPS 100 W Sentinel/Standard	\$17.52	38	$[17.52 + (38 \times 2.448 \text{ ¢/kWh})] \times 1.02407$	\$18.89
HPS 100 W Post Top	\$18.68	38	$[18.68 + (38 \times 2.448 \text{ ¢/kWh})] \times 1.02407$	\$20.08
HPS 150 W Sentinel/Standard	\$21.84	60	$[21.84 + (60 \times 2.448 \text{ ¢/kWh})] \times 1.02407$	\$23.87
HPS 250 W Sentinel/Standard	\$31.08	105	$[31.08 + (105 \times 2.448 \text{ ¢/kWh})] \times 1.02407$	\$34.46
HPS 400 W Sentinel/Standard	\$43.60	163	$[43.60 + (163 \times 2.448 \text{ ¢/kWh})] \times 1.02407$	\$48.74
<i>Light Emitting Diode</i>				
LED 100 W Sentinel/Standard	\$15.48	18	$[15.48 + (18 \times 2.448 \text{ ¢/kWh})] \times 1.02407$	\$16.30
LED 150 W Sentinel/Standard	\$17.43	28	$[17.43 + (28 \times 2.448 \text{ ¢/kWh})] \times 1.02407$	\$18.55
LED 250 W Sentinel/Standard	\$21.10	40	$[21.10 + (40 \times 2.448 \text{ ¢/kWh})] \times 1.02407$	\$22.61
LED 400 W Sentinel/Standard	\$24.36	55	$[24.36 + (55 \times 2.448 \text{ ¢/kWh})] \times 1.02407$	\$26.33
Poles				
Wood	\$5.97		5.97×1.02407	\$6.11
30' Concrete or Metal	\$8.34		8.34×1.02407	\$8.54
45' Concrete or Metal	\$13.80		13.80×1.02407	\$14.13
25' Concrete or Metal, Post Top	\$5.91		5.91×1.02407	\$6.05
Underground Wiring (per run)				
All sizes and types of fixtures	\$14.06		14.06×1.02407	\$14.40

¹ Customer Rates calculated based upon July 1, 2024 Rate Stabilization Adjustment and Municipal Tax Adjustment Factor.

² Early payment discount does not apply to Street and Area Lighting rates.

Newfoundland Power Inc.

**Summary of Existing and Proposed Customer Rates
(Includes Municipal Tax and Rate Stabilization Adjustments)**

	<u>July 1, 2023 Existing Rates</u>	<u>July 1, 2024 Proposed Rates</u>
<u>Domestic - Rate #1.1</u>		
Basic Customer Charge		
Not Exceeding 200 Amp Service	\$15.80/month	\$15.79/month
Exceeding 200 Amp Service	\$20.80/month	\$20.79/month
Energy Charge - All kilowatt hours	13.256 ¢/kWh	14.566 ¢/kWh
Minimum Monthly Charge		
Not Exceeding 200 Amp Service	\$15.80/month	\$15.79/month
Exceeding 200 Amp Service	\$20.80/month	\$20.79/month
Prompt Payment Discount	1.5%	1.5%
 <u>Domestic - Rate #1.1S</u>		
Basic Customer Charge		
Not Exceeding 200 Amp Service	\$15.80/month	\$15.79/month
Exceeding 200 Amp Service	\$20.80/month	\$20.79/month
Energy Charge		
Winter Seasonal	14.209 ¢/kWh	15.519 ¢/kWh
Non-Winter Seasonal	11.959 ¢/kWh	13.269 ¢/kWh
Minimum Monthly Charge		
Not Exceeding 200 Amp Service	\$15.80/month	\$15.79/month
Exceeding 200 Amp Service	\$20.80/month	\$20.79/month
Prompt Payment Discount	1.5%	1.5%

Newfoundland Power Inc.

**Summary of Existing and Proposed Customer Rates
(Includes Municipal Tax and Rate Stabilization Adjustments)**

	<u>July 1, 2023 Existing Rates</u>	<u>July 1, 2024 Proposed Rates</u>
<u>G.S. 0-100 kW (110 kVA) - Rate #2.1</u>		
Basic Customer Charge		
Unmetered	\$11.89/month	\$11.88/month
Single Phase	\$19.89/month	\$19.88/month
Three Phase	\$31.89/month	\$31.88/month
Demand Charge Regular	\$9.70/kW - winter \$7.20/kW - other	\$9.70/kW - winter \$7.20/kW - other
Energy Charge		
First 3,500 kilowatt-hours	13.116 ¢/kWh	14.426 ¢/kWh
All excess kilowatt-hours	10.160 ¢/kWh	11.472 ¢/kWh
Maximum Monthly Charge	21.893 ¢/kWh + B.C.C.	23.198 ¢/kWh + B.C.C.
Minimum Monthly Charge		
Unmetered	\$11.89/month	\$11.88/month
Single Phase	\$19.89/month	\$19.88/month
Three Phase	\$31.89/month	\$31.88/month
Prompt Payment Discount	1.5%	1.5%
<u>G.S. 110-1000 kVA - Rate #2.3</u>		
Basic Customer Charge	\$48.85/month	\$48.82/month
Demand Charge	\$8.15/kVA-winter \$5.65/kVA-other	\$8.14/kVA-winter \$5.64/kVA-other
Energy Charge		
First 150 kWh per kVA of demand (max. 50,000)	11.343 ¢/kWh	12.654 ¢/kWh
All Excess kWh	9.385 ¢/kWh	10.698 ¢/kWh
Maximum Monthly Charge	21.893 ¢/kWh + B.C.C.	23.198 ¢/kWh + B.C.C.
Minimum Monthly Charge	\$48.85/month	\$48.82/month
Prompt Payment Discount	1.5%	1.5%

Newfoundland Power Inc.

**Summary of Existing and Proposed Customer Rates
(Includes Municipal Tax and Rate Stabilization Adjustments)**

	<u>July 1, 2023 Existing Rates</u>	<u>July 1, 2024 Proposed Rates</u>
<u>G.S. 1000 kVA and Over - Rate #2.4</u>		
Basic Customer Charge	\$85.12/month	\$85.07/month
Demand Charge	\$7.82/kVA-winter \$5.32/kVA-other	\$7.81/kVA-winter \$5.31/kVA-other
Energy Charge		
First 75,000 kWh	10.982 ¢/kWh	12.293 ¢/kWh
All Excess kWh	9.305 ¢/kWh	10.618 ¢/kWh
Maximum Monthly Charge	21.893 ¢/kWh + B.C.C.	23.198 ¢/kWh + B.C.C.
Minimum Monthly Charge	\$85.12/month	\$85.07/month
Prompt Payment Discount	1.5%	1.5%

Newfoundland Power Inc.

**Summary of Existing and Proposed Customer Rates
(Includes Municipal Tax and Rate Stabilization Adjustments)**

Street and Area Lighting Rates

		<u>July 1, 2023 Existing Rates</u>	<u>July 1, 2024 Proposed Rates</u>
<u>Fixtures</u>			
<u>Sentinel/Standard</u>			
High Pressure Sodium	100W	\$18.41	\$18.89
	150W	23.11	23.87
	250W	33.12	34.46
	400W	46.65	48.74
Light Emitting Diode	LED 100	\$16.08	\$16.30
	LED 150	18.20	18.55
	LED 250	22.11	22.61
	LED 400	25.63	26.33
<u>Post Top</u>			
High Pressure Sodium	100W	\$19.60	\$20.08
<u>Poles</u>			
Wood		\$6.12	\$6.11
30' Concrete or Metal direct buried		8.55	8.54
45' Concrete or Metal, direct buried		14.14	14.13
25' Concrete or Metal, Post Top, direct buried		6.06	6.05
<u>Underground Wiring (per run)</u>			
All sizes and types of fixtures		\$14.41	\$14.40

Newfoundland Power Inc.

**Average Billing Impacts - Customer Rates
(Billing Amounts include RSA and MTA effective July 1, 2024)
(\$000s)**

Category	Revenue Under <u>Existing Rates</u> (A)¹	Revenue Under <u>Proposed Rates</u> (B)²	<u>Change</u> (C)³	<u>Average Impacts</u> (D)⁴
1.1 Domestic	522,206	569,457	47,251	9.0%
1.1S Domestic Seasonal	1,714	1,863	149	8.7%
Total Domestic	523,920	571,320	47,400	9.0%
2.1 General Service 0-100 kW (110 kVA)	109,270	119,521	10,251	9.4%
2.3 General Service 110-1000 kVA	127,233	141,023	13,790	10.8%
2.4 General Service over 1000 kVA	45,779	51,235	5,456	11.9%
Total General Service	282,282	311,779	29,497	10.4%
4.1 Street and Area Lighting	17,039	17,324	285	1.7%
Forfeited Discounts	2,953	2,953	-	
Total	826,194	903,376	77,182	9.3%

¹ Column A is the 2024 forecast customer billings under Existing customer rates effective July 1, 2023.

² Column B is the 2024 forecast customer billings under Proposed customer rates effective July 1, 2024.

³ Column C is the difference between forecast under Proposed and Existing rates (Column B - Column A).

⁴ Column D is the forecast rate change as a result of the change in RSA/MTA (Column C / Column A).

**Calculation of the Municipal Tax Adjustment Factor
for the period July 1, 2024 to June 30, 2025**

That in accordance with the Municipal Tax Clause, the Municipal Tax Adjustment factor for the period July 1, 2024 to June 30, 2025 is calculated as follows:

X	=	Amount of all municipal taxes paid in 2023	=	\$18,397,680
Y	=	Amount of Revenue earned in 2023 to which MTA factor shall apply, calculated as follows:		
		Normalized Revenue from rates for 2023	=	\$731,064,000
		Add: RSA Billings for 2023	=	\$36,174,200
		Add: 2023 Weather Normalization Revenue Adj.	=	(\$129,000)
		Less: Forfeited Discounts	=	\$2,809,000
Y	=			\$764,300,200
<i>Municipal Tax Adjustment Factor</i>	=		=	$\frac{X}{Y} + 1.00000$
			=	$\frac{\$18,397,680}{\$764,300,200} + 1.00000$
Municipal Tax Adjustment Factor	=			1.02407

NEWFOUNDLAND POWER INC.
RATE #1.1
DOMESTIC SERVICE

Availability:

For Service to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:

Not Exceeding 200 Amp Service	\$15.79 per month
Exceeding 200 Amp Service	\$20.79 per month

Energy Charge:

All kilowatt-hours	@14.566 ¢ per kWh
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Minimum Monthly Charge:

Not Exceeding 200 Amp Service	\$15.79 per month
Exceeding 200 Amp Service	\$20.79 per month

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
RATE #1.1S
DOMESTIC SEASONAL - OPTIONAL**

Availability:

Available upon request for Service to Customers served under Rate #1.1 Domestic Service who have a minimum of 12 months of uninterrupted billing history at their current Serviced Premises.

Rate:

The Energy Charges provided for in Rate #1.1 Domestic Service Rate shall apply, subject to the following adjustments:

Winter Season Premium Adjustment (Billing months of December through April):

All kilowatt-hours@ 0.953¢ per kWh

Non-Winter Season Credit Adjustment (Billing Months of May through November):

All kilowatt-hours@ (1.297)¢ per kWh

Special Conditions:

1. An application for Service under this rate option shall constitute a binding contract between the Customer and the Company with an initial term of 12 months commencing the day after the first meter reading date following the request by the Customer, and renewing automatically on the anniversary date thereof for successive 12-month terms.
2. To terminate participation on this rate option on the renewal date, the Customer must notify the Company either in advance of the renewal date or no later than 60 days after the anniversary/renewal date. When acceptable notice of termination is provided to the Company, the Customer's billing may require adjustment to reverse any seasonal adjustments applied to charges for consumption after the automatic renewal date.

NEWFOUNDLAND POWER INC.
RATE #2.1
GENERAL SERVICE 0-100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) where the maximum demand occurring in the 12 months ending with the current month is less than 100 kilowatts (110 kilovolt-amperes).

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:

Unmetered	\$11.88 per month
Single Phase	\$19.88 per month
Three phase	\$31.88 per month

Demand Charge:

\$9.70 per kW of billing demand in the months of December, January, February and March and \$7.20 per kW in all other months. The billing demand shall be the maximum demand registered on the meter in the current month in excess of 10 kW.

Energy Charge:

First 3,500 kilowatt-hours	@ 14.426¢ per kWh
All excess kilowatt-hours	@ 11.472¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 23.198 cents per kWh plus the Basic Customer Charge, but not less than the Minimum Monthly Charge. The Maximum Monthly Charge shall not apply to Customers who avail of the Net Metering Service Option.

Minimum Monthly Charge:

Unmetered	\$11.88 per month
Single Phase	\$19.88 per month
Three Phase	\$31.88 per month

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7(n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND POWER INC.
RATE #2.3
GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:\$48.82 per month

Demand Charge:

\$8.14 per kVA of billing demand in the months of December, January, February and March and \$5.64 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 150 kilowatt-hours per kVA of billing demand,
up to a maximum of 50,000 kilowatt-hours@ 12.654¢ per kWh
All excess kilowatt-hours@ 10.698¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 23.198 cents per kWh plus the Basic Customer Charge. The Maximum Monthly Charge shall not apply to Customers who avail of the Net Metering Service Option.

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular, Regulation 7(n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND POWER INC.
RATE #2.4
GENERAL SERVICE 1000 KVA AND OVER

Availability:

For Service where the maximum demand occurring in the 12 months ending with the current month is 1000 kilovolt-amperes or greater.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:\$85.07 per month

Demand Charge:

\$7.81 per kVA of billing demand in the months of December, January, February and March and \$5.31 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 75,000 kilowatt-hours@ 12.293¢ per kWh
All excess kilowatt-hours@ 10.618¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 23.198 cents per kWh plus the Basic Customer Charge. The Maximum Monthly Charge shall not apply to Customers who avail of the Net Metering Service Option.

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular, Regulation 7(n)], transformation [in particular, Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
RATE #4.1
STREET AND AREA LIGHTING SERVICE**

Availability:

For Street and Area Lighting Service where the electricity is supplied by the Company and all fixtures, wiring and controls are provided, owned and maintained by the Company.

Monthly Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

	Sentinel/Standard	Post Top
High Pressure Sodium		
100W (8,600 lumens)	\$18.89	\$20.08
150W (14,400 lumens)	23.87	-
250W (23,200 lumens)	34.46	-
400W (45,000 lumens)	48.74	-
 Light Emitting Diode		
LED 100	\$16.30	-
LED 150	18.55	-
LED 250	22.61	-
LED 400	26.33	-
 Special poles used exclusively for lighting service*		
Wood	\$6.11	
30' Concrete or Metal, direct buried	8.54	
45' Concrete or Metal, direct buried	14.13	
25' Concrete or Metal, Post Top, direct buried	6.05	
 Underground Wiring (per run)*		
All sizes and types of fixtures	\$14.40	

* Where a pole or underground wiring run serves two fixtures paid for by different parties, the above rates for such poles and underground wiring may be shared equally between the two parties.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**