

Office of the Consumer Advocate

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April 18, 2024

Via Email

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

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

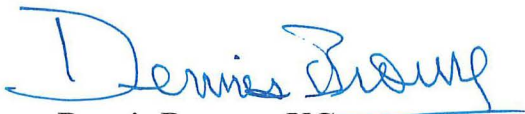
Dear Ms. Galarneau:

Re: Newfoundland Power Inc. - 2024 Rate of Return on Rate Base Application
Requests for Information

Further to the above-captioned, enclosed are the Consumer Advocate's Requests for Information numbered CA-PUB-001 to CA-PUB-002.

If you have any questions regarding the enclosed, please contact the undersigned at your convenience.

Yours truly,



Dennis Browne, KC
Consumer Advocate

Encl.
/bb

cc **Newfoundland Power Inc.**
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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 by
Newfoundland Power Inc. (“*Newfoundland
Power*” or the “*Company*”) for approval of a 2024
forecast average rate base and rate of return on
rate base and to establish customer electricity
rates for 2024 (the “*Application*”).

**CONSUMER ADVOCATE
REQUESTS FOR INFORMATION
CA-PUB-001 – CA-PUB-002**

Issued: April 18, 2024

1 CA-PUB-001 (Reference April 5, 2024 Grant Thornton Report, Executive Summary, point
 2 6) It is stated “*The difference between WACC and Rate of RORB in the 2024*
 3 *Rate of RORB Application is largely due to reconciling items between invested*
 4 *capital and rate base, primarily the RSA. The example calculation of the*
 5 *RORB does not consider the impact of any reconciling items between invested*
 6 *capital and rate base. In a GRA, the test year forecast rebalances the RSA and*
 7 *this is not a material issue. However, in non-test years the reconciling items*
 8 *could be significant as the RSA is functioning without a rebalancing effect.”*

- 9 a) How significant are the “reconciling items” in this 2024 non-test year?
 10 b) Should the RSA be rebalanced whenever the Board approves a change in
 11 rates proposed by the utility?
 12

13 CA-PUB-002 (Reference April 5, 2024 Grant Thornton Report)

- 14 a) For 2024F in Appendix C what would be the earnings applicable to
 15 common shares if operating expenses and depreciation were equal to their
 16 respective values for 2023TY?
 17 b) Based on the response to (a), what would be the 2024F rate of return on
 18 equity, return on rate base and rate of return on rate base?

DATED at St. John’s, Province of Newfoundland and Labrador, this 18th day of April, 2024.

Per:



Dennis Browne, KC
Consumer Advocate

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