

1 **Q. Reference: (2024 Rate of Return on Rate Base, page 2 of 8)**
2

3 **It is stated “*This 2024 return on rate base application follows the same approach as***
4 ***prior applications approved by the Board for the 2015, 2018 and 2021 forecast years.*”**
5 **For the record, please file copies of the Board’s Orders on each of these applications.**
6

7 **A. See Attachments A, B and C for the requested Board orders.**

**P.U. 051 (2014)
2015 Rate of Return on Rate Base Application**

NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. P.U. 51(2014)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act, 1994*, SNL 1994, Chapter E-5.1
3 (the “*EPCA*”) and the *Public Utilities Act*,
4 RSNL 1990, Chapter P-47 (the “*Act*”), as
5 amended, and regulations thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland Power Inc. for approval of its 2015
9 forecast average rate base and rate of return on rate
10 base in accordance with Order No. P.U. 13(2013).
11
12

13 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly
14 organized and existing under the laws of the Province of Newfoundland and Labrador, is a public
15 utility within the meaning of the *Act*, and is also subject to the provisions of the *EPCA*; and
16

17 **WHEREAS** in Order No. P.U. 13 (2013) the Board, *inter alia*, determined a ratemaking rate of
18 return on equity of 8.8% and a common equity component in the capital structure of no more
19 than 45% and directed Newfoundland Power to file an application for approval of a revised
20 forecast average rate base and rate of return on rate base for 2013 and 2014; and
21

22 **WHEREAS** in Order No. P.U. 23(2013) the Board approved the revised forecast average rate
23 base and the rate of return on average rate base for 2013 and 2014 and approved a revised
24 Schedule of Rates, Tolls and Charges effective July 1, 2013; and
25

26 **WHEREAS** in Order No. P.U. 21(2014) the Board approved a revised Schedule of Rates, Tolls
27 and Charges, effective July 1, 2014; and
28

29 **WHEREAS** in Order No. P.U. 13(2013) the Board directed Newfoundland Power to file, on or
30 before November 17, 2014, for approval of its 2015 forecast average rate base and rate of return
31 on rate base maintaining the 2013 and 2014 ratemaking common equity ratio and return on
32 common equity; and
33

34 **WHEREAS** on November 7, 2014, in compliance with Order No. P.U. 13(2013), Newfoundland
35 Power filed an application (the “Application”) requesting approval of:

- 36 (i) a 2015 forecast average rate base of \$1,009,527,000;
37 (ii) a just and reasonable rate of return on rate base for 2015 of 7.50% in a range of
38 7.32% to 7.68%; and

1 (iii) continuation of the existing customer rates approved by the Board in Order No.
2 P.U. 21(2014); and
3

4 **WHEREAS** the Application was circulated to Newfoundland and Labrador Hydro ("Hydro")
5 and the Consumer Advocate; and
6

7 **WHEREAS** on November 18, 2014 Grant Thornton LLP, the Board's financial consultant, filed
8 a report with the Board stating that it did not find any discrepancies in Newfoundland Power's
9 calculation of its 2015 forecast average rate base and its 2015 rate of return on rate base and
10 concluded that the calculations were accurate and in accordance with established practice; and
11

12 **WHEREAS** the Grant Thornton LLP report was copied to Newfoundland Power, Hydro and the
13 Consumer Advocate; and
14

15 **WHEREAS** on November 20, 2014 Hydro and the Consumer Advocate advised that they did
16 not have comments or submissions on the Application; and
17

18 **WHEREAS** the Board has reviewed the Application and supporting evidence and is satisfied
19 that Newfoundland Power's proposed forecast average rate base and rate of return on rate base
20 for 2015 should be approved and further that it is not necessary to change Newfoundland Power
21 customer rates at this time.
22

23
24 **IT IS THEREFORE ORDERED THAT:**
25

- 26
27 1. Newfoundland Power's forecast average rate base for 2015 of \$1,009,527,000 is
28 approved.
29
30 2. Newfoundland Power's rate of return on rate base for 2015 of 7.50% in a range of 7.32%
31 to 7.68% is approved.
32
33 3. Newfoundland Power shall pay the expenses of the Board in connection with this
34 Application.

DATED at St. John's, Newfoundland and Labrador, this 2nd day of December 2014.



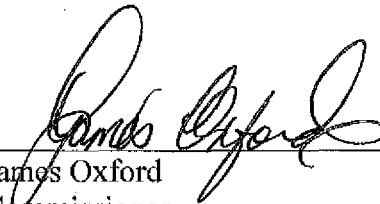
Andy Wells
Chair & Chief Executive Officer



Darlene Whalen, P.Eng.
Vice-Chair



Dwanda Newman, LL.B.
Commissioner



James Oxford
Commissioner



Cheryl Blundon
Board Secretary

**P.U. 041 (2017)
2018 Rate of Return on Rate Base Application**

NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. P.U. 41(2017)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act, 1994*, SNL 1994, Chapter E-5.1
3 (the “*EPCA*”) and the *Public Utilities Act*,
4 RSNL 1990, Chapter P-47 (the “*Act*”), as
5 amended, and regulations thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland Power Inc. for approval of its
9 2018 forecast average rate base and rate of
10 return on rate base in accordance with
11 Order No. P.U. 18(2016).
12
13

14 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly
15 organized and existing under the laws of the Province of Newfoundland and Labrador, is a public
16 utility within the meaning of the *Act*, and is also subject to the provisions of the *EPCA*; and
17

18 **WHEREAS** in Order No. P.U. 18(2016) the Board, *inter alia*, determined a ratemaking rate of
19 return on equity of 8.5% and a common equity component in the capital structure of no more
20 than 45% and directed Newfoundland Power to file an application for approval of a revised
21 forecast average rate base and rate of return on rate base for 2016 and 2017; and
22

23 **WHEREAS** in Order No. P.U. 25(2016) the Board approved the revised forecast average rate
24 base and the rate of return on average rate base for 2016 and 2017 and approved a revised
25 Schedule of Rates, Tolls and Charges effective July 1, 2016; and
26

27 **WHEREAS** in Order No. P.U. 23(2017) the Board approved a revised Schedule of Rates, Tolls
28 and Charges, effective July 1, 2017; and
29

30 **WHEREAS** on November 10, 2017, in compliance with Order No. P.U. 18(2016),
31 Newfoundland Power filed an application (the “Application”) requesting approval of:

- 32 (i) a 2018 forecast average rate base of \$1,115,997,000;
- 33 (ii) a just and reasonable rate of return on rate base for 2018 of 7.04% in a range of
34 6.86% to 7.22%; and
- 35 (iii) continuation of the existing customer rates approved by the Board in Order No.
36 P.U. 23(2017); and
37

38 **WHEREAS** the Application was circulated to Newfoundland and Labrador Hydro (“Hydro”)
39 and the Consumer Advocate, Dennis Browne, Q.C. (the “Consumer Advocate”); and

1 **WHEREAS** on December 5, 2017 Grant Thornton LLP, the Board's financial consultant, filed a
2 report with the Board stating that it did not find any discrepancies in Newfoundland Power's
3 calculation of its 2018 forecast average rate base and its 2018 rate of return on rate base and
4 concluded that the calculations were in accordance with Board orders; and

5
6 **WHEREAS** the Grant Thornton LLP report was copied to Newfoundland Power, Hydro and the
7 Consumer Advocate; and

8
9 **WHEREAS** on November 21, 2017 Hydro advised that it would not be filing requests for
10 information or comments on the Application; and

11
12 **WHEREAS** the Board did not receive any further submissions on the Application; and

13
14 **WHEREAS** the Board has reviewed the Application and supporting evidence and is satisfied
15 that the proposed 2018 forecast average rate base and rate of return on rate base should be
16 approved; and

17
18 **WHEREAS** the Board is satisfied that the rates approved in Order No. P.U. 23(2017) should be
19 continued as these rates are forecast to yield a 2018 rate of return on rate base and 2018 rate of
20 return on common equity within the ranges established by the Board.

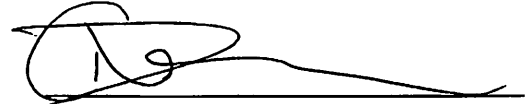
21
22
23 **IT IS THEREFORE ORDERED THAT:**

- 24
- 25 1. Newfoundland Power's forecast average rate base for 2018 of \$1,115,997,000 is
26 approved.
 - 27
 - 28 2. Newfoundland Power's rate of return on rate base for 2018 of 7.04% in a range of 6.86%
29 to 7.22% is approved.
 - 30
 - 31 3. Newfoundland Power shall pay the expenses of the Board in connection with this
32 Application.

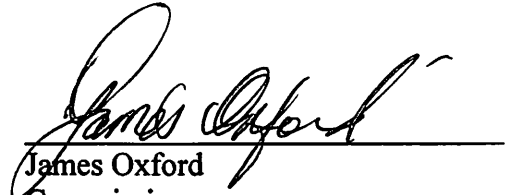
DATED at St. John's, Newfoundland and Labrador, this 8th day of December, 2017.



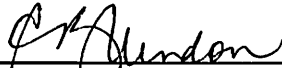
Darlene Whalen, P.Eng.
Vice-Chair



Dwanda Newman, LL.B.
Commissioner



James Oxford
Commissioner



Cheryl Blundon
Board Secretary

**P.U. 036 (2020)
2021 Rate of Return on Rate Base Application**

NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. P.U. 36(2020)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act, 1994*, SNL 1994, Chapter E-5.1
3 (the “*EPCA*”) and the *Public Utilities Act*,
4 RSNL 1990, Chapter P-47 (the “*Act*”), as
5 amended, and regulations thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland Power Inc. for approval of a
9 2021 forecast average rate base and a 2021
10 rate of return on rate base in accordance with
11 Order No. P.U. 2(2019).
12
13

14 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly organized
15 and existing under the laws of the Province of Newfoundland and Labrador, is a public utility
16 within the meaning of the *Act*, and is also subject to the provisions of the *EPCA*; and
17

18 **WHEREAS** in Order No. P.U. 2(2019) the Board determined a ratemaking rate of return on equity
19 of 8.5% and a common equity component in the capital structure of no more than 45% and
20 approved the proposed forecast average rate base and rate of return on rate base for 2019 and 2020
21 and a Schedule of Rates, Tolls and Charges, effective March 1, 2019; and
22

23 **WHEREAS** in Order No. P.U. 31(2019) the Board approved a revised Schedule of Rates, Tolls
24 and Charges, effective October 1, 2019; and
25

26 **WHEREAS** on November 13, 2020, in compliance with Order No. P.U. 2(2019), Newfoundland
27 Power filed an application (the “Application”) requesting approval of:

- 28 (i) a 2021 forecast average rate base of \$1,206,106,000;
29 (ii) a just and reasonable rate of return on rate base for 2021 of 6.65% in a range of
30 6.47% to 6.83%; and
31 (iii) continuation of existing customer rates approved in Order No. P.U. 31(2019); and
32

33 **WHEREAS** the Application was circulated to Newfoundland and Labrador Hydro (“Hydro”) and
34 the Consumer Advocate, Dennis Browne, Q.C. (the “Consumer Advocate”); and

1 **WHEREAS** on November 26, 2020 Hydro advised that it would not be providing comments on
2 the Application; and

3
4 **WHEREAS** on November 30, 2020 Grant Thornton LLP, the Board's financial consultants, filed
5 a report with the Board stating that it did not find any discrepancies in Newfoundland Power's
6 calculation of its 2021 forecast and pro forma average rate base, return on rate base, rate of return
7 on rate base, rate of return on common equity and capital structure and concluded that the
8 calculations were in accordance with Board Orders; and

9
10 **WHEREAS** the Grant Thornton LLP report was copied to Newfoundland Power, Hydro and the
11 Consumer Advocate; and

12
13 **WHEREAS** the Board did not receive any further comments or submissions on the Application;
14 and

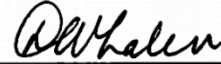
15
16 **WHEREAS** the Board has reviewed the Application and supporting evidence and is satisfied that
17 the proposed forecast average rate base and rate of return on rate base for 2021 should be approved;
18 and

19
20 **WHEREAS** the Board is satisfied that the rates approved in Order No. P.U. 31(2019) should be
21 continued as these rates are forecast to yield a 2021 rate of return on rate base and 2021 rate of
22 return on common equity within the ranges established by the Board.

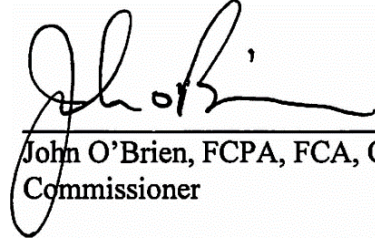
23
24
25 **IT IS THEREFORE ORDERED THAT:**

- 26
27 1. Newfoundland Power's forecast average rate base for 2021 of \$1,206,106,000 is approved.
28
29 2. Newfoundland Power's rate of return on rate base for 2021 of 6.65% in a range of 6.47% to
30 6.83% is approved.
31
32 3. Newfoundland Power shall pay the expenses of the Board in connection with this Application.

DATED at St. John's, Newfoundland and Labrador, this 14th day of December, 2020.



Darlene Whalen, P. Eng., FEC
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA
Commissioner



Christopher Pike, LL.B., FCIP
Commissioner



Cheryl Blundon
Board Secretary