

1 **Q. Reference: (2024 Rate of Return on Rate Base, page 3 of 8)**
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3 **In the sentence preceding Table 1 and the sentence following Table 1, reference is**
 4 **made to the 2023 forecast average rate base but Table 1 uses the term “2023 Test**
 5 **Year” and gives the figure for it as \$1,288 million while Appendix A gives the 2023**
 6 **forecast for average rate base as \$1,289.7 million.**

7
 8 **a) Please clarify these figures and terms.**

9
 10 **b) What is the purpose of Table 1?**

11
 12 **c) Please provide revised Table 1 that includes average rate base for 2022, and the**
 13 **percentage increases from 2022 to 2023 and from 2023 to 2024.**

14
 15 **A. a) Table 1 in the 2024 Rate of Return on Rate Base report refers to the 2023 forecast**
 16 **average rate base of \$1,288 million used in the 2023 test year that was approved in**
 17 **Order No. P.U. 3 (2022). Appendix A provides a 2023 forecast average rate base of**
 18 **\$1,289.7 million based on the Company’s latest forecast.**

19
 20 **b) In Order No. P.U. 3 (2022), the Board ordered, among other things, that**
 21 **Newfoundland Power file an application on or before November 15, 2023 for**
 22 **approval of the Company’s 2024 forecast average rate base.¹**

23
 24 Table 1 in the 2024 Rate of Return on Rate Base report provides the change in
 25 Newfoundland Power’s 2024 forecast average rate base from the 2023 forecast
 26 average rate base used to establish existing customer rates. Following the table is an
 27 explanation of the primary changes between the two periods to support the 2024
 28 forecast average rate base amount proposed by the Company in its Application.

29
 30 **c) Table 1 provides the requested information.**

**Table 1:
 Average Rate Base
 (\$millions)**

2022A	2023F	2024F	2022-2023 (%)	2023-2024 (%)
1,230.4	1,289.7	1,360.1	4.8%	5.5%

¹ See Order No. P.U. 3 (2022), page 20, lines 17-20.