

- 1 **Q. (Reference Application, 2024 Capital Budget Expenditure Status Report,**
2 **Appendix A: Variance Notes, page A-1) It is stated “*the forecast number of***
3 ***new customer connections is expected to increase from 2,053 to 2,329.*” On**
4 **what basis is this new forecast made, and how has it impacted the 2025 CBA?**
5
- 6 A. Newfoundland Power’s forecast of customer connections is based on the Conference
7 Board of Canada’s (“CBOC”) forecast of housing starts and completions from its
8 medium-term outlook, together with a three-year average of the historical pattern
9 between customer connections and housing starts and completions. This approach
10 combines the CBOC’s outlook with the Company’s historical data to calculate a forecast
11 number of new customer connections.
12
- 13 In 2024, the CBOC’s forecast of housing starts and connections was higher than its
14 forecast from the prior year.¹ Consequently, the forecast number of new customer
15 connections for 2024 increased from 2,053 to 2,329. The higher forecast number of
16 connections for 2025 resulted in a higher forecast budget associated with the *Extensions*
17 and *New Services* programs in the *2025 Capital Budget Application*.

¹ The CBOC released medium-term outlooks on February 14, 2024 and February 6, 2023.