

- 1 **Q. (Reference Application, Use of Historical Averages for Budget Estimation,**  
2 **Table 2)**  
3 **a) Why is New Brunswick Power not included in Table 2?**  
4 **b) Does NP consider a survey of 3 utilities extensive?**  
5 **c) It is noted that Nova Scotia Power and Maritime Electric use averages**  
6 **with annual inflation. Specifically, what inflation rate is used by these**  
7 **utilities?**  
8 **d) In NP's survey, do any utilities use inflation based on a forecast of their**  
9 **own internal labour inflation rate?**  
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11 A. a) Newfoundland Power conducted a jurisdictional scan of other Canadian utilities  
12 subject to annual capital budget filings.<sup>1</sup> New Brunswick Power is not included in  
13 Table 2 of the *Use of Historical Averages for Budget Estimation* report as it does not  
14 file annual capital budgets and does not required approval for any capital  
15 expenditures under \$50 million.  
16  
17 b) Newfoundland Power considers its jurisdictional scan to be reasonable in that it  
18 included all Canadian utilities subject to the filing of annual capital budgets.  
19  
20 c) Nova Scotia Power used an inflation rate of 2.03% for its estimates in its *2024*  
21 *Annual Capital Expenditure Plan* completed using historical averages.  
22  
23 Maritime Electric used an inflation rate of 3.00% for its estimates in its *2025 Capital*  
24 *Budget Application* completed using historical averages.  
25  
26 d) Newfoundland Power completed the jurisdictional scan using publicly available  
27 documentation. The Company is not aware of the basis for the inflation rate chosen  
28 by the utilities. As such, the requested information cannot be provided.

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<sup>1</sup> This is consistent with the response to Request for Information CA-NP-200 filed as part of the Company's *2024 Capital Budget Application*.