

1 **Volume 2: Tab 3, Customer, Energy and Demand Forecast Report**
2

3 **Q. Assume sales exceed the test year forecast for all classes in each of 2024, 2025, and**
4 **2026 by (a) 0.5%, (b) 1.0%, (c) 1.5%, and (d) 2.0%. Please provide for each of these**
5 **values the change in regulated earnings for each year expressed as (i) return on rate**
6 **base, (ii) return on equity, and (iii) net income for two scenarios: 1) Newfoundland**
7 **Power does not rebase its rates for power supply costs using current Newfoundland**
8 **and Labrador Hydro rates, and 2) Newfoundland Power does rebase its rates for**
9 **power supply costs using current Newfoundland and Labrador Hydro rates. Please**
10 **also provide a table of customer rates under each scenario and typical bills based on**
11 **class average and median usage.**

12
13 A. Attachment A provides *pro forma* analyses for the requested scenarios. See the response
14 to Request for Information PUB-NP-089 for information regarding accuracy of the
15 Company's energy sales forecast over the past five years.

16
17 Attachment B provides *pro forma* customer rates assuming the rebasing of power supply
18 costs using the current wholesale rate.¹

19
20 Attachment C provides the requested customer bill analyses.²

¹ Based on the additional information filed with the Board on December 13, 2023, *PUB Information Request (i), Schedule A, Attachment 1* (i.e. estimated based on the overall rate change increasing from 5.5% to 9.8%).

² Excludes the Street Lighting class.

Pro Forma Analyses

Newfoundland Power Inc.
Pro Forma Scenarios¹
(\$000s)

	2024PF²			
	0.5%	1.0%	1.5%	2.0%
Energy sales increase	0.5%	1.0%	1.5%	2.0%
Regulated Return on Equity (%)	8.49	8.55	8.61	8.67
Rate of Return on Rate Base (%)	6.84	6.87	6.90	6.92
Earnings applicable to common shares (\$millions) ³	51.5	51.9	52.3	52.6
	2025PF			
	0.5%	1.0%	1.5%	2.0%
Energy sales increase	0.5%	1.0%	1.5%	2.0%
Regulated Return on Equity (%)	9.92	9.99	10.06	10.13
Rate of Return on Rate Base (%)	7.43	7.46	7.49	7.52
Earnings applicable to common shares (\$millions) ³	63.5	64.0	64.4	64.9
	2026PF			
	0.5%	1.0%	1.5%	2.0%
Energy sales increase	0.5%	1.0%	1.5%	2.0%
Regulated Return on Equity (%)	9.93	10.01	10.09	10.17
Rate of Return on Rate Base (%)	7.25	7.29	7.32	7.36
Earnings applicable to common shares (\$millions) ³	64.2	64.7	65.2	65.7
	2025PF (re-basing of power supply costs)			
	0.5%	1.0%	1.5%	2.0%
Energy sales increase	0.5%	1.0%	1.5%	2.0%
Regulated Return on Equity (%)	9.91	9.98	10.05	10.11
Rate of Return on Rate Base (%)	7.43	7.46	7.49	7.52
Earnings applicable to common shares (\$millions) ³	63.6	64.0	64.4	64.8
	2026PF (re-basing of power supply costs)			
	0.5%	1.0%	1.5%	2.0%
Energy sales increase	0.5%	1.0%	1.5%	2.0%
Regulated Return on Equity (%)	9.92	10.00	10.08	10.15
Rate of Return on Rate Base (%)	7.22	7.25	7.29	7.32
Earnings applicable to common shares (\$millions) ³	64.3	64.8	65.3	65.8

¹ Based on sales increases of 0.5%, 1.0%, 1.5% and 2.0% for all rate classes. Excludes the Street Lighting class.

² Forecast for 2024 is based on the 2024 Rate of Return on Rate Base Application .

³ For this analysis net income is assumed to be earnings applicable to common shares.

Pro Forma Rebased Customer Rates

Newfoundland Power Inc.

Summary of Proposed and *Pro Forma* Rebased Customer Rates
(Includes Municipal Tax and Rate Stabilization Adjustments)

	July 1, 2025 <u>Proposed Rates</u>	July 1, 2025 PF <u>Proposed Rates</u> (Rebased)
<u>Domestic - Rate #1.1</u>		
Basic Customer Charge		
Not Exceeding 200 Amp Service	\$17.02/month	\$17.78/month
Exceeding 200 Amp Service	\$22.06/month	\$22.78/month
Energy Charge - All kilowatt-hours	14.178 ¢/kWh	14.758 ¢/kWh
Minimum Monthly Charge		
Not Exceeding 200 Amp Service	\$17.02/month	\$17.78/month
Exceeding 200 Amp Service	\$22.02/month	\$22.78/month
Prompt Payment Discount	1.5%	1.5%
<u>Domestic - Rate #1.1S</u>		
Basic Customer Charge		
Not Exceeding 200 Amp Service	\$17.02/month	\$17.78/month
Exceeding 200 Amp Service	\$22.02/month	\$22.78/month
Energy Charge		
Winter Seasonal	15.131 ¢/kWh	15.711 ¢/kWh
Non-Winter Seasonal	12.881 ¢/kWh	13.461 ¢/kWh
Minimum Monthly Charge		
Not Exceeding 200 Amp Service	\$17.02/month	\$17.78/month
Exceeding 200 Amp Service	\$22.02/month	\$22.78/month
Prompt Payment Discount	1.5%	1.5%

Newfoundland Power Inc.

Summary of Proposed and *Pro Forma* Rebased Customer Rates
(Includes Municipal Tax and Rate Stabilization Adjustments)

	July 1, 2025 <u>Proposed Rates</u>	July 1, 2025 PF <u>Proposed Rates</u> (Rebased)
<u>G.S. 0-100 kW (110 kVA) - Rate #2.1</u>		
Basic Customer Charge		
Unmetered	\$13.59/month	\$14.42/month
Single Phase	\$21.59/month	\$22.42/month
Three Phase	\$33.59/month	\$34.42/month
Demand Charge Regular	\$10.33/kW - winter \$7.83kW - other	\$10.63/kW - winter \$8.13/kW - other
Energy Charge		
First 3,500 kilowatt-hours	14.030 ¢/kWh	14.602 ¢/kWh
All excess kilowatt-hours	10.847 ¢/kWh	11.276 ¢/kWh
Maximum Monthly Charge	23.479 ¢/kWh + B.C.C.	24.475 ¢/kWh + B.C.C.
Minimum Monthly Charge		
Unmetered	\$13.59/month	\$14.42/month
Single Phase	\$21.59/month	\$22.42/month
Three Phase	\$33.59/month	\$34.42/month
Prompt Payment Discount	1.5%	1.5%
<u>G.S. 110-1000 kVA - Rate #2.3</u>		
Basic Customer Charge	\$52.60/month	\$54.96/month
Demand Charge	\$8.65/kVA-winter \$6.15/kVA-other	\$8.86/kVA-winter \$6.36/kVA-other
Energy Charge		
First 150 kWh per kVA of demand (max. 50,000)	12.121 ¢/kWh	12.607 ¢/kWh
All Excess kWh	10.011 ¢/kWh	10.405 ¢/kWh
Maximum Monthly Charge	23.479 ¢/kWh + B.C.C.	24.475 ¢/kWh + B.C.C.
Minimum Monthly Charge	\$52.60/month	\$54.96/month
Prompt Payment Discount	1.5%	1.5%

Newfoundland Power Inc.

Summary of Proposed and *Pro Forma* Rebased Customer Rates
(Includes Municipal Tax and Rate Stabilization Adjustments)

	July 1, 2025 <u>Proposed Rates</u>	July 1, 2025 PF <u>Proposed Rates</u> (Rebased)
<u>G.S. 1000 kVA and Over - Rate #2.4</u>		
Basic Customer Charge	\$91.66/month	\$95.76/month
Demand Charge	\$8.27/kVA-winter \$5.77/kVA-other	\$8.49/kVA-winter \$5.99/kVA-other
Energy Charge		
First 75,000 kWh	11.730 ¢/kWh	12.200 ¢/kWh
All Excess kWh	9.925 ¢/kWh	10.315 ¢/kWh
Maximum Monthly Charge	23.479 ¢/kWh + B.C.C.	24.475 ¢/kWh + B.C.C.
Minimum Monthly Charge	\$91.66/month	\$95.76/month
Prompt Payment Discount	1.5%	1.5%

Newfoundland Power Inc.

Summary of Proposed and *Pro Forma* Rebased Customer Rates
(Includes Municipal Tax and Rate Stabilization Adjustments)

Street and Area Lighting Rates

		July 1, 2025 <u>Proposed Rates</u>	July 1, 2025 PF <u>Proposed Rates</u> (Rebased)
<u>Fixtures</u>			
<u>Sentinel/Standard</u>			
High Pressure Sodium	100W	\$19.79	\$20.65
	150W	24.82	25.90
	250W	35.57	37.10
	400W	50.07	52.23
Light Emitting Diode	LED 100	\$17.11	\$18.06
	LED 150	20.38	20.43
	LED 250	25.05	24.81
	LED 400	29.84	28.74
<u>Post Top</u>			
High Pressure Sodium	100W	\$21.07	\$21.99
<u>Poles</u>			
Wood		\$6.79	\$6.89
30' Concrete or Metal, direct buried		9.27	9.61
45' Concrete or Metal, direct buried		15.37	15.91
25' Concrete or Metal, Post Top, direct buried		6.47	6.82
<u>Underground Wiring (per run)</u>			
All sizes and types of fixtures		\$15.44	\$16.21

Requested Customer Bill Analyses

Newfoundland Power Inc.
Pro Forma Typical Bill Calculations Based on Class Average and Median Use

	Scenario 1 (Proposed)		Scenario 2 (Rebased)	
	Average ¹ (\$)	Median ² (\$)	Average ¹ (\$)	Median ² (\$)
1.1 Residential	189	149	198	155
1.1 Residential Seasonal	117	101	122	106
2.1 General Service 0-100kW	414	143	432	149
2.3 General Service 110-1000 kVA	8,911	6,240	9,294	6,478
2.4 General Service over 1000 kVA	85,600	47,139	89,281	48,974

¹ Average bill calculations based on billing details. In Newfoundland Power's view, the average bill approach is more commonly used than the median bill approach.

² Median bill calculations based on data used for the Customer Rate Impact report.