

1 **Q. Please confirm that Newfoundland Power is proposing that all funds, including**
2 **government funding related to electrification programs and revenues associated**
3 **with the operation of Newfoundland Power owned charging stations, will be used to**
4 **offset the cost of electrification programs and the cost to operate the charging**
5 **stations.**

6
7 A. This is confirmed.

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9 The proposed definition of the Electrification Cost Deferral Account provides that “*this*
10 *account shall be credited with the receipt of government funding related to electrification*
11 *initiatives and any revenues associated with the operation of Company-owned charging*
12 *stations.*”¹

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14 The proposed definition of the Electrification Cost Deferral Account does not, however,
15 provide for the recovery of capital costs, such as costs related to electric vehicle charging
16 infrastructure.² Government funding received for costs that are capital in nature would
17 be applied to offset the overall capital costs recovered from customers.³

¹ See the *2021 Electrification, Conservation and Demand Management Application*, Volume 1, Exhibit 1.

² See the *2021 Electrification, Conservation and Demand Management Application*, Volume 1, Exhibit 2.

³ See, for example, the response to Request for Information PUB-NP-020, Attachment A, Note A which shows the assumed approved federal funding of \$550,000 offsetting the 2021 electric vehicle charging infrastructure capital costs of \$1,538,000 ($\$1,538,000 - \$550,000 = \$988,000$).