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2025-04-03

Mr. Dominic Foley
Newfoundland Power Inc.
55 Kenmount Road
P.O. Box 8910
St. John's, NL A1B 3P6

Dear Sir:

Re: Newfoundland Power Inc.- 2025 Customer Billing Review Report - Board's Response

The Board has reviewed the 2025 Customer Billing Review Report (the "Report") filed on March 21, 2025. The Board found the Report helpful in understanding the reasons for the recent increased bill volatility experienced by customers.

The Report concluded that Newfoundland Power's meters are accurately tracking customer usage and that customer bills are being calculated correctly based on metered usage and approved customer rates. The Board accepts this conclusion based on the information provided in the Report, including:

- (i) Nearly 5,000 Newfoundland Power meters have been reviewed in an independent Measurement Canada-accredited facility since 2018 and were found to be 99.9% accurate;
- (ii) Over 7,500 bills were reviewed by Newfoundland Power for accuracy with particular attention to bills showing much higher usage and involvement of the Internal Audit department for rate changes; and
- (iii) An additional review was conducted by the Internal Audit department as a result of the recent customer inquiries to ensure billing accuracy for all residential customers billed in January and February 2025.

The Report provided two primary explanations for higher bills in February 2025 as compared to January 2025: weather and Newfoundland Power's billing practices.

The Board accepts that the colder weather and windspeeds are normal contributors to higher customer bills and that temperatures were approximately 20% lower and windspeeds approximately 20% higher in February relative to January.

The Board also accepts that the number of monthly billing days (i.e., the number of days between meter readings) may also be a contributor to higher customer bills. According to Newfoundland Power, approximately 80,000 customers had an increase of 3 days or more on their February bill relative to their January bill. The Board notes that Newfoundland Power has committed to exploring ways to limit changes in billing periods in the winter, to help make billing days more consistent each month and reduce changes in customer bill amounts, and will increase tracking and monitoring of expected bill period changes before they occur, especially during periods when the temperature drops.

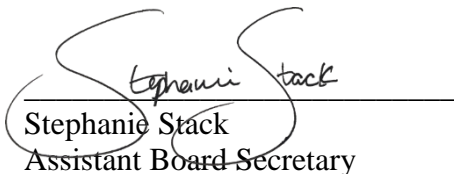
The Board supports Newfoundland Power's initiative to review its billing practices and requires that Newfoundland Power provide the Board with the results of its review. This should include:

- (i) an explanation as to Newfoundland Power's current practices with respect to billing days, including an explanation as to the factors which influenced the number of billing days for January and February 2025, and a summary of practices in other jurisdictions with respect to minimizing billing day variability during periods of high energy usage;
- (ii) an analysis of the distribution of the billing day variances in January and February and its impact on customer bills between January and February, 2025; and
- (iii) any changes which may be made.

The Board requests that Newfoundland Power provide the requested information by Tuesday, April 29, 2025.

If you have any questions with respect to the requested information, please do not hesitate to contact the undersigned or the Board's Legal Counsel, Ms. Jacqueline Glynn, by email, jglynn@pub.nl.ca or telephone (709) 726-6781.

Sincerely,



Stephanie Stack
Assistant Board Secretary

SS/cj

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