



PARTIAL DECISION – ORAL

IN THE MATTER OF an Application by New Brunswick Power Corporation pursuant to Section 103(1) of the *Electricity Act*, S.N.B. 2013, c. 7 for approval of the schedules of the rates for the fiscal year commencing April 1, 2017.

(Matter No. 336)

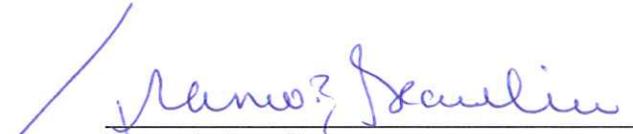
March 27, 2017

ORAL DECISION

- [1] This is an oral decision in relation to Board Matter Number 336, being an application by the New Brunswick Power Corporation (NB Power) under subsection 103(1) of the *Electricity Act* for approval of NB Power's schedule of rates it proposes to charge for its fiscal year commencing April 1, 2017, which is referred to as the "test year".
- [2] NB Power seeks an average rate increase of 2% and differential rate increases across rate categories, in order to achieve a budgeted revenue requirement of \$1,725.6 million for the test year. The average 2% increase would apply uniformly to all classes except the Residential Class and the General Service I Class. The differential rate increases proposed for the Residential Class is 2.33% and for the General Service I Class is 0.90%.
- [3] The Board is reducing the revenue requirement by the amount of \$4.7 million from the Large Industrial Renewable Energy Purchase Program (LIREPP) purchase cost. The Board therefore approves a revenue requirement of \$1,720.9 million for the test year.
- [4] The Board understands there will be a corresponding adjustment to LIREPP sales revenue, resulting in a net impact of \$3.2 million.
- [5] There are no other changes to the revenue requirement.
- [6] The Board also approves an average rate increase for all rate classes excepting the Residential and General Service I classes.
- [7] In relation to the Residential and General Service I classes, the Board approves differential rate increases, using the same rate design as was proposed in NB Power's application.
- [8] With these changes, NB Power is directed to provide the Board for review, its calculation of revised average and differential rate increases for all customer classes, and a revised proposed schedule of rates.
- [9] Following its review and validation of the information provided by NB Power, the Board will approve the revised schedule of rates and set the time at which the revised rates are to take effect.

[10] The Board will issue a written decision with reasons later. In the event that there is any difference between this oral decision and the Board's written reasons for decision, the latter shall prevail.

Dated in Saint John, New Brunswick, this 27th day of March, 2017.


François Beaulieu
Vice-Chairperson


Michael Costello
Member


Patrick Ervin
Member


John Patrick Herron
Member