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NEW BRUNSWICK
ENERGY & UTILITIES BOARD

COMMISSION DE L'ÉNERGIE ET DES SERVICES PUBLICS
NOUVEAU-BRUNSWICK

New Brunswick Power Corporation

APPLICATION FOR AN INCREASE IN RATES FOR FISCAL YEARS 2024/25 AND 2025/2026, CAPITAL PROJECT AND OTHER APPROVALS

NOTICE

New Brunswick Power Corporation (NB Power) has applied to the New Brunswick Energy and Utilities Board for the following:

1. An Order:
 - a. approving, for the 2024/25 fiscal year, a 9.25% average increase in rates across all customer classes, based on NB Power's revenue requirements of \$2,587.9 million in fiscal 2024/25;
 - b. approving, for the 2025/26 fiscal year, a 9.25% average increase in rates across all customer classes, based on NB Power's revenue requirement of \$2,752.2 million in fiscal 2025/26;
 - c. approving the creation of a regulatory deferral account under section 117.5 of the *Electricity Act* for expenses forecast to be incurred with respect to the Enterprise Resource Planning Upgrade, as outlined in sections 2.4.3 and 3.6 of the supporting evidence;
 - d. approving the creation of a regulatory account under section 117.5 of the *Electricity Act* to level, over two years, the expected replacement energy costs associated with major planned outages at PLNGS, as outlined in sections 2.4.2 and 3.6 of the supporting evidence);

- e. approving the creation of a rate smoothing account of finite duration (two years), under section 117.5 of the *Electricity Act*, to level the rate increases in each of fiscal years 2024/25 and 2025/26, as outlined in sections 2.2 and 3.6 of the supporting evidence;
- f. approving an increase of the recovery period associated with the PLNGS regulatory account established pursuant to subsection 139(2) of the *Electricity Act*, as outlined in section 2.4.2 and 3.6 of the supporting evidence;
- g. approving the schedule of rates for the fiscal years 2024/25 and 2025/26 as shown in Appendices Ai and Aiii of the supporting evidence with differential rate increases as shown in the table below, which reflect a 9.25% average increase across all customer classes, to be effective April 1, 2024 and April 1, 2025, respectively

Table 1.0

**NB Power Corporation
Proposal for Differential Rates**

| | (1) Rate Increase % 2024/25 | (2) Rate Increase % 2025/26 |
|------------------------------|--------------------------------------|--------------------------------------|
| (1) AVERAGE | 9.25% | 9.25% |
| (2) Residential | 9.8% | 9.8% |
| (3) General Service I | 7.5% | 7.5% |
| (4) General Service II | 8.8% | 9.0% |
| (5) General Service Total | 7.8% | 7.8% |
| (6) Small Industrial | 7.3% | 7.3% |
| (7) Large Industrial | 9.8% | 9.8% |
| (8) Streetlights & Unmetered | 7.3% | 7.3% |
| (9) Wholesale | 9.8% | 9.8% |

- 2. In the alternative, in the event the Board does not approve one or more of the requests in paragraphs 1(c) through 1(f), an Order granting such higher or other rate increases as may be necessary to recover the revenue requirements of the Applicant in each of the 2024/25 and 2025/26 fiscal years;

3. In the event the Board disallows any portion of the revenue requirements of the Applicant for either of the 2024/25 or 2025/26 fiscal years, an increase in the reasonable return (net earnings) of the Applicant for such fiscal year in an equivalent amount;
4. An Order approving the prices proposed for specific Customer Energy Solutions Portfolio products as described in section 10.3 of the supporting evidence;
5. An Order approving the wind balancing charge as outlined in section 10.4 of the supporting evidence;
6. An Order approving the Rate Design Learning Sandbox Procedure as outlined in section 10.5 of the supporting evidence;
7. An Order approving NB Power's plan for the elimination the General Service II rate class as outlined in section 10.6 of the supporting evidence;
8. An Order approving NB Power's proposal to merge the rural and urban monthly service charge rates as outlined in section 10.7 of the supporting evidence;
9. An Order approving Bayside Turbine Replacement Capital Project as outlined in Part B of the supporting evidence;
10. Directions with respect to the schedule for the full hearing of this Application, and any other preliminary or procedural matters; and
11. Such other Orders and/or directions with respect to any other matters as the Board sees fit.
12. Directions with respect to the schedule for the full hearing of this Application, and any other preliminary or procedural matters; and
13. Such other Orders and/or directions with respect to any other matters as the Board sees fit.

NB Power's application and the supporting evidence may be viewed on the Board's website at www.nbeub.ca under Matter No. 552.

A copy of a proposed Filing and Hearing Schedule prepared by Board Staff as well as a proposed schedule submitted by NB Power is available on the Board's website at www.nbeub.ca.

In considering all of the various aspects of NB Power's application noted above, the Board will fix electricity rates that it finds to be just and reasonable, which may be higher or lower than the proposed rates as set out in Table 1 above.

Parties who intend to intervene should visit the *Rules of Procedure* section of the Board's website at www.nbeub.ca and register by submitting a completed "Intervener Request" form, specifying Matter No. 552. The form should be completed and filed with the Board no later than **Wednesday, January 10, 2024**, at general@nbeub.ca. Parties are to indicate the official language in which they wish to be heard.

The Board will hold a Pre-Hearing Conference via Zoom Video Conference on **Friday, January 12, 2024**, beginning at 9:30 a.m. to consider requests for intervener status and determine the filing and hearing schedule to be followed. Interested parties wishing to intervene may attend at that time to make representations about the procedure and schedule to be followed.

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