

1 Q. **Reference: ECDM Application (1st Revision), Schedule 1, page 6, lines 11-23.**

2 Please provide the rationale for the proposed recovery period for electrification capital and
3 program costs and provide details on any alternative recovery periods considered, such as the
4 average life of the related technologies. If no alternative recovery periods were considered,
5 why not?

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8 A. Newfoundland and Labrador Hydro (“Hydro”) has proposed to continue to use the existing
9 recovery period associated with its Conservation and Demand Management (“CDM”) Cost
10 Recovery Adjustment in its proposed Electrification, Conservation and Demand Management
11 Cost Recovery Adjustment. The seven-year cost recovery period was approved for
12 Newfoundland Power Inc. (“Newfoundland Power”) in Board of Commissioners of Public Utilities
13 (“Board”) Order No. P.U. 13(2013) and for Hydro in Board Order No. P.U. 49(2016).

14 Hydro notes that Newfoundland Power, in its 2022/2023 General Rate Application, has
15 proposed to increase the recovery period of its CDM program costs from seven to ten years. If
16 the Board approves a change in the recovery period to be used by Newfoundland Power, Hydro
17 will apply to the Board for a revision to its recovery period to match the recovery period
18 approved for use by Newfoundland Power.