
THE CONSUMER ADVOCATE

Annual Report April 1, 2023 to March 31, 2024

Table of Contents

Message from the Consumer Advocate.....	i
Overview	1
Highlights and Accomplishments	1
Report on Performance	2
Opportunities and Challenges Ahead.....	3
Financial Statements	4

Message from the Consumer Advocate

In keeping with the requirements of a Category 3 Entity under the **Transparency and Accountability Act**, I am pleased to present the 2023-24 Annual Report of the Consumer Advocate for April 1, 2023 to March 31, 2024.

The continued focus of Consumer Advocate efforts will be to maintain sustainable and affordable electricity rates as rate mitigation plan progresses.

This Annual Report was prepared under my direction and, as Consumer Advocate, I am responsible for the actual results reported.


Dennis Browne, KC
Consumer Advocate

Overview

In accordance with Section 117 of the **Public Utilities Act**, (the Act) the Lieutenant-Governor in Council may appoint a Consumer Advocate to represent the interests of domestic and general service electricity customers in response to applications from public utilities.

The Consumer Advocate represents electricity consumers in applications or hearings before the Public Utilities Board. Section 70 requires that public utilities submit any proposed rate changes to the Public Utilities Board for approval. In accordance with Section 41 of the Act, the Public Utilities Board receives capital budget applications from public utilities annually. As capital budget and rate applications have a direct bearing on electricity rates which consumers will eventually pay, the Consumer Advocate is tasked to engage experts and consultants in energy supply, regulatory practice, and capital/finance costs when assessing applications brought before the Public Utilities Board. The Consumer Advocate, from time to time, represents electricity consumers in other general matters arising outside the processes for applications and hearings. The Public Utilities Board includes the Consumer Advocate on most correspondence from utilities, including many matters that do not result in an application or hearing.

The Consumer Advocate is appointed under subsection 9(2) of the **Independent Appointments Commission Act**. The current Consumer Advocate, Dennis Browne, KC, originally was appointed on October 11, 2016, through the Independent Appointments Commission. Under the terms of the appointment, the Consumer Advocate represents the interests of domestic and general service customers on terms acceptable to the Minister of Justice and Public Safety, in addition to any other appointment the Consumer Advocate may receive which require consumer representation.

Upon appointment, the Consumer Advocate prepares a budget for approval by the Minister of Justice and Public Safety in matters pertaining to electricity. After the budget has been approved, the Consumer Advocate, renders detailed statements of account to the Public Utilities Board.

Mandate

The Consumer Advocate deals with only one Line of Business, which is to fulfill the Mandate as required through the appointment as Consumer Advocate established in Section 117 of the **Public Utilities Act**. This is to represent domestic and general electricity customers before the PUB in accordance with the **Public Utilities Act** and associated regulations. This includes studying utility applications, reviewing the evidence in support thereof, preparing requests for information, retaining and instructing experts as required, attending pre-hearing procedures and public hearings, examining and cross-examining witnesses, and making final submissions.

Vision

A regulatory environment in which consumers are well-served and are afforded fair and reasonable treatment in accordance with the legislation, provincial policy, and sound public utility practices that balance the interests of consumers and utilities as appropriate.

Highlights and Accomplishments

Throughout the period April 1, 2023, to March 31, 2024, ratepayers were represented in relevant applications before the Public Utilities Board. Ratepayer when intervention is required in utility applications including those pertaining to Capital Budgets, Electrification, Conservation and Demand Management issues, and matter pertaining to electric vehicles.

In May 2023 Legislative Amendments to the Public Utilities Legislation gave the Provincial Government the authority to direct to Public Utilities Board to convene a public hearing on various matters. This amendment was an important change to the Act that is generally supportive to electricity ratepayers. As Consumer Advocate, I had advocated for such amendments to the Act to ensure fairness and balance prevailed based on transparency through full public hearings.

Report on Performance

The representation of consumer interests when utility applications are received by the Public Utilities Board is determined by the nature of that application. Not every application before the Public Utilities Board requires participation of the Consumer Advocate. However, applications pertaining to expenditures and rates always require Consumer Advocate intervention.

In developing appropriate responses to utility applications, the Consumer Advocate solicits advice from consultants with expertise. This team approach ensures ratepayers have the benefit of informed representation. Consultants with expertise in energy supply, regulatory practice and principles, and cost of capital/finance are invaluable when assessing utility applications.

The continuing priority for the Consumer Advocate is to work with consumers, utilities, industrial customers, the Public Utilities Board and Government to ensure continued rate mitigation efforts should ensure affordable electricity for consumers.

Issue 1: Representation of Consumer Interests in Energy Matters

Objective: By March 31, 2024, upon appointment, the Consumer Advocate will have represented the interests of consumers of electricity in the province of Newfoundland and Labrador.

Indicators	Actual Results
Represented consumers at regulatory processes.	Represented consumers at regulatory processes by responding to Capital Budget Applications, and through challenging expenditures and excessive amounts in utility spending
Attend pre-hearing conferences and meetings and public hearings as required.	Request for public hearings. Capital Budget had been denied by the Public Utilities Board. Now legislation is in effect to enable the Government to order such hearings.
Prepare and deliver submissions to the Public Utilities Board on emerging issues.	Submissions prepared and delivered to the Public Utilities Board focused on limiting Capital Budget expenditures.

Opportunities and Challenges Ahead

The Consumer Advocate will continue to represent the interests of ratepayers before the Public Utilities Board. Every utility expenditure request must be scrutinized and justified. This is especially so given the financial burden ratepayers will endure due to costs associated with the Muskrat Falls Project.

The Consumer Advocate's focus will remain on issues relating to utility spending and to the governance of the Public Utilities Board to maintain transparency, openness and accountability including full public hearings.

More needs to be done to control Capital Budget expenditures. Other jurisdictions have implemented ways and means to deal with this issue. Recommendations out of the Muskrat Falls Inquiry suggested a study of performance-based regulation. This recommendation is ongoing. My objective as Consumer Advocate is to focus on efforts which will result in affordable electricity. Monitoring utility expenditures is imperative and will be a continued challenge going forward.

Financial Statements

Upon appointment, the Consumer Advocate prepares a budget for approval by the Minister of Justice and Public Safety in matters pertaining to electricity. After the budget has been approved, the Consumer Advocate, in matters of electricity, renders detailed statements of account to the Public Utilities Board, which pays the account. Separate audited financial statements are not required of the Consumer Advocate. Expenses paid through the Public Utilities Board are included as a separate line item in its budget, which is audited by a private auditor.

1. Reference to NL Hydro Application for Approval of Capital Expenditures re: Bay d'Espoir Hydroelectric Generating Facility Penstock 1

Invoice No. 18238 (April 12, 2023 – April 17, 2023)

i)	Professional Fees of the Consumer Advocate	\$ 675.00
ii)	Disbursements (including experts)	\$16.88
iii)	HST (i), & (ii)	\$103.78
	Total	\$795.66

2. Reference to Provisional Capital Budget Application Guidelines

Invoice No. 18320 (April 20, 2023 – May 5, 2023)

i)	Professional Fees of the Consumer Advocate	\$1,687.50
ii)	Professional Fess of the Legal Counsel to Consumer Advocate	\$1,260.00
iii)	Disbursements (including experts)	\$3,283.69
iv)	HST (i), (ii) & (iii)	\$ 634.68
	Total	\$6,865.87

3. Reference to Consumer Advocate Activity Plan 2023-2026

Invoice No. 18404 (April 4,5,6, 2023 – June 6, 2023)

i)	Professional Fees of the Consumer Advocate	\$747.50
ii)	Disbursements (including experts)	\$39.38
iii)	HST (i), & (ii)	\$118.04
	Total	\$904.92

4. Reference to Newfoundland and Labrador Hydro – Reliability and Resource Adequacy Review

Invoice No. 18435 (June 6, 2023 – June 20, 2023)

i)	Professional Fees of the Consumer Advocate	\$1,800.00
ii)	Disbursements (including experts)	\$45.00
iii)	HST (i), & (ii)	\$276.75
	Total	\$2,121.75

5. Reference to Newfoundland Power and NL Hydro – Approvals Required to Execute Programming Identified in the Electrification, Conservation and Demand Management Plan 2021-2025 – Application for Electric Vehicle Load Management Pilot Project

Invoice No. 18437 (April 11, 2023 – June 19, 2023)

i)	Professional Fees of the Consumer Advocate	\$4,668.75
ii)	Disbursements (including experts)	\$2,866.72
iii)	HST (i) & (ii)	\$ 717.82
	Total	\$8,253.29

6. Reference to NLH Application re July 1, 2023 Utility Rate Adjustments

Invoice No. 18438 (April 18, 2023 to June 15, 2023)

i)	Professional Fees of the Consumer Advocate	\$1,856.25
ii)	Professional Fees of Legal Counsel to Consumer Advocate	\$1,890.00
iii)	Disbursements (including experts)	\$9,103.65
iv)	HST (i), (ii), & (iii)	\$1,252.49
	Total	\$14,102.39

7. Reference to Newfoundland Power Inc., 2023 Supplemental Capital Expenditure Application – Memorial Substation Power Transformer Replacement

Invoice No. 18439 (May 31, 2023 – June 12, 2023)

i)	Professional Fees of the Consumer Advocate	\$2,250.00
ii)	Professional Fees of Legal Counsel to Consumer Advocate	\$ 855.00
iii)	Disbursements (including experts)	\$2,827.63
iv)	HST (i), (ii), & (iii)	\$ 477.39
	Total	\$6,410.02

8. Reference to Newfoundland Power Inc., 2024 Capital Budget Application

Invoice No. 18572 (June 22, 2023 – July 21, 2023)

i)	Professional Fees of the Consumer Advocate	\$15,806.25
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$ 9,540.00
iii)	Disbursements (including experts)	\$19,093.66
iv)	HST (i), (ii), & (iii)	\$ 4,903.49
	Total	\$49,343.40

9. Reference to Newfoundland Power Inc., 2024 Capital Budget Application

Invoice No. 18616 (July 26, 2023 – August 9, 2023)

i)	Professional Fees of the Consumer Advocate	\$9,900.00
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$6,097.50
iii)	Disbursements (including experts)	\$9,689.94
iv)	HST (i), (ii), & (iii)	\$3,103.12
	Total	\$28,790.56

10. Reference to NL Hydro – 2024 Capital Budget Application

Invoice No. 18657 (August 7, 2023 – August 24, 2023)

i)	Professional Fees of the Consumer Advocate	\$10,237.50
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$ 3,960.00
iii)	Disbursements (including experts)	\$14,714.94
iv)	HST (i), (ii), & (iii)	\$ 3,024.37
	Total	\$31,936.81

11. Reference to Consumer Advocate Annual Report – April 1, 2022 – March 31, 2023

Invoice No. 18675 (March 21, 2023 – August 15, 2023)

i)	Professional Fees of the Consumer Advocate	\$1,800.00
ii)	Disbursements (including experts)	\$ 90.00
iii)	HST (i), & (ii)	\$ 283.50
	Total	\$2,173.50

12. Reference to Newfoundland Power Inc. – 2024 Capital Budget Application

Invoice No. 18720 (August 22, 2023 – September 15, 2023)

i)	Professional Fees of the Consumer Advocate	\$14,332.50
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$ 4,185.00
iii)	Disbursements (including experts)	\$26,799.19
iv)	HST (i), (ii), & (iii)	\$ 5,447.51
	Total	\$50,764.20

13. Reference to Newfoundland Power Inc., 2024 Capital Budget Application

Invoice No. 18837 (September 19, 2023 – October 23, 2023)

i)	Professional Fees of the Consumer Advocate	\$15,750.00
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$ 8,437.50
iii)	Disbursements (including experts)	\$28,739.69
iv)	HST (i), (ii), & (iii)	\$ 7,095.33
	Total	\$60,022.52

14. Reference to NL Hydro – 2024 Capital Budget Application

Invoice No. 18870 (September 27, 2023 – October 27, 2023)

i)	Professional Fees of the Consumer Advocate	\$8,662.50
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$247.50
iii)	Disbursements (including experts)	\$7,812.75
iv)	HST (i), (ii) & (iii)	\$1,683.41
	Total	\$18,406.16

15. Reference to Newfoundland Power Inc. – 2024 Capital Budget Application

Invoice No. 18593 (October 27, 2023 – November 27, 2023)

i)	Professional Fees of the Consumer Advocate	\$7,256.25
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$1,935.00
iii)	Disbursements (including experts)	\$19,891.03
iv)	HST (i), (ii), & (iii)	\$3,087.56
	Total	\$32,169.84

16. Reference to Newfoundland and Labrador Hydro, Reliability and Resource Adequacy Review

Invoice No. 18945 (October 30, 2023 – November 1, 2023)

i)	Professional Fees of the Consumer Advocate	\$3,712.50
ii)	Disbursements (including experts)	\$2,342.81
iii)	HST (i), & (ii)	\$ 570.80
	Total	\$6,626.11

17. Reference to Newfoundland Power Inc. – Load Study

Invoice No. 18946 (October 27, 2023)

i)	Professional Fees of the Consumer Advocate	\$225.00
ii)	Disbursements (including experts)	\$2,255.63
iii)	HST (i) & (ii)	\$34.59
	Total	\$2,515.22

18. Reference to Newfoundland Power and NL Hydro – Approvals Required to Execute Programming Identified in the Electrification, Conservation, and Demand Management Plan 2021-2025

Invoice No. 18949 (July 12, 2023 – July 18, 2023)

i)	Professional Fees of the Consumer Advocate	\$1,125.00
ii)	Professional Fees of Legal Counsel to Consumer Advocate	\$1,305.00
iii)	Disbursements (including experts)	\$5,450.75
iv)	HST (i), (ii), & (iii)	\$1,182.11
	Total	\$9,062.86

19. Reference to NL Hydro – 2024 Capital Budget Application

Invoice No. 18954 (November 8, 2023 – November 14, 2023)

i)	Professional Fees of the Consumer Advocate	\$4,162.50
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$1,215.00
iii)	Disbursements (including experts)	\$5,784.44
iv)	HST (i), (ii), & (iii)	\$1,074.30
	Total	\$12,236.24

20. Reference to Newfoundland Power Inc., 2024 Capital Budget Application

Invoice No. 19084 (December 5, 2023 – January 19, 2024)

i)	Professional Fees of the Consumer Advocate	\$1,856.25
ii)	Professional Fees of Legal Counsel to Consumer Advocate	\$315.00
iii)	Disbursements (including experts)	\$54.28
iv)	HST (i), (ii), & (iii)	\$333.83
	Total	\$2,559.36

21. Reference to Newfoundland Power Inc. – Load Study

Invoice No. 19085 (December 18, 2023)

i)	Professional Fees of the Consumer Advocate	\$787.50
ii)	Professional Fees of Legal Counsel to Consumer Advocate	\$697.50
iii)	Disbursements (including experts)	\$37.13
iv)	HST (i), (ii), & (iii)	\$228.32
	Total	\$1,750.45

22. Reference to NL Hydro – 2024 Capital Budget Application

Invoice No. 19087 (December 22, 2023)

i)	Professional Fees of the Consumer Advocate	\$731.25
ii)	Disbursements (including experts)	\$18.28
iii)	HST (i) & (ii)	\$112.43
	Total	\$861.96

23. Reference to Newfoundland and Labrador Hydro – Reliability and Resource Adequacy Review

Invoice No. 19088 (December 7, 2023 – January 19, 2024)

i)	Professional Fees of the Consumer Advocate	\$4,950.00
ii)	Professional Fees of Legal Counsel to Consumer Advocate	\$922.50
iii)	Disbursements (including experts)	\$146.81
iv)	HST (i), (ii), (iii)	\$902.90
	Total	\$6,922.21

24. Reference to Newfoundland Power Inc., 2025-2026 General Rate Application

Invoice No. 19097 (January 9, 2024 – January 30, 2024)

i)	Professional Fees of the Consumer Advocate	\$5,512.50
ii)	Professional Fees of Legal Counsel to Consumer Advocate	\$1,620.00
iii)	Disbursements (including experts)	\$3,178.31
iv)	HST (i), (ii), & (iii)	\$1,096.63
	Total	\$11,407.44

25. Reference to NL Power Inc. – 2024 Rate of Return on Rate Base Application

Invoice No. 19102 (November 22, 2023 – January 24, 2024)

i)	Professional Fees of the Consumer Advocate	\$7,200.00
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$1,777.50
iii)	Disbursements (including experts)	\$7,361.66
iv)	HST (i), (ii), & (iii)	\$1,400.88
	Total	\$17,740.04

26. Reference to Newfoundland Power Inc., 2025-2026 General Rate Application

Invoice No. 19145 (February 1, 2024 – February 20, 2024)

i)	Professional Fees of the Consumer Advocate	\$15,693.75
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$9,337.50
iii)	Disbursements (including experts)	\$23,095.78
iv)	HST (i), (ii), & (iii)	\$5,119.06
	Total	\$53,246.09

27. Reference to Newfoundland Power Inc., 2025-2026 General Rate Application

Invoice No. 19238 (February 28, 2024 – March 22, 2024)

i)	Professional Fees of the Consumer Advocate	\$10,428.75
ii)	Professional Fess of Legal Counsel to Consumer Advocate	\$5,827.50
iii)	Disbursements (including experts)	\$28,886.41
iv)	HST (i), (ii), & (iii)	\$3,208.90
	Total	\$48,351.56

28. Reference to NL Power Inc. – 2024 Rate of Return on Rate Base Application

Invoice No. 19372 (February 2, 2024 – February 5, 2024)

i)	Professional Fees of the Consumer Advocate	\$1,687.50
ii)	Disbursements (including experts)	\$14,342.19
iii)	HST (i), & (ii)	\$2,404.46
	Total	\$18,434.15