

1 Q. At page 6 of Newfoundland Power's pre-filed evidence, lines [13 to 18], the following  
2 statement is made:

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4 *Industry practice indicates that net metering is typically limited to*  
5 *renewable sources of generation owned by residential and small*  
6 *business customers. These sources are typically small-scale. Capacity*  
7 *limits in the nine Canadian provinces currently offering net metering*  
8 *services range from 50 kW to 1 mW...*

9  
10  
11 *[in the Navigant Report at page [28], MW in an installed capacity, and*  
12 *ranged from 0.01% to 0.16% as a percentage of the jurisdiction's*  
13 *installed capacity.]*

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15 At page 15 of Newfoundland Power's pre-filed evidence, the following statement is  
16 made:

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18 *Utility experience with net metering regimes indicates that customer*  
19 *take-up of Newfoundland Power's Net Metering Option should ramp up*  
20 *over a number of years and not approach the maximum aggregate of 5*  
21 *MW for some time.*

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23 At page 23 of Newfoundland Power's pre-filed evidence, lines [13-14], the following  
24 statement is made:

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26 *Public indications are that customer rates following the interconnection*  
27 *of Muskrat Falls could be as high as \$0.21 kW/h.*

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29 **This \$0.21 kW/h figure appears to be more than twice the current domestic**  
30 **customer rate. Therefore, is it not foreseeable that customer take-up of**  
31 **Newfoundland Power's Net Metering Option would likely rapidly ramp up**  
32 **following the interconnection of Muskrat Falls and thus the 5 MW limit would be**  
33 **reached much quicker than experienced in other Net Metering regimes?**

34  
35 A. Newfoundland Power recognizes that there is potential that the participation in the Net  
36 Metering Service Option could ramp up higher than experienced in other jurisdictions.  
37 The extent to which the potential take-up may be higher or lower is uncertain.

1 Even considering the prospect of higher electricity rates following the integration of the  
2 Muskrat Falls project, Newfoundland Power does not believe that the Provincial  
3 subscription limit of 5 MW will soon be reached. However, the Company will be  
4 monitoring the take-up rate.<sup>1</sup> Ongoing monitoring of the Net Metering Service Option  
5 will provide for future determination of how to evolve the program including the  
6 potential to adjust the subscription limit.  
7

8 As stated at page 26 of the evidence filed in support of the Company's Net Metering  
9 Service Option Application, the effects of the interconnection of Muskrat Falls on  
10 electrical system costs and customer prices will justify a re-examination of the pricing  
11 associated with Newfoundland Power's Net Metering Service Option following  
12 interconnection.

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<sup>1</sup> In order to gather data on a province wide basis, monitoring the take-up rate will include an exchange of information with Newfoundland and Labrador Hydro.