

1 Q. **Reference: Schedule 1 – Evidence, page 4**

2 It is stated “A managed approach reduces the peak demand increase to only 42 MW, which is  
3 more than offset by the electrification benefits outlined in the 2021 Plan.”

4 a) How will Hydro manage the peak demand increase?

5 b) Is Hydro’s ECDM partner, Newfoundland Power, proposing a similar peak demand  
6 management plan?

7 c) What would be the cost to meet the additional 42 MW of peak demand assuming CDM  
8 programs are the same with or without electrification?

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11 A. a) Newfoundland and Labrador Hydro (“Hydro”) and Newfoundland Power Inc. (“the Utilities”)  
12 plan to work jointly under takeCHARGE in the delivery of demand management programs to  
13 maximize the benefits of electrification to customers. The Utilities plan to administer  
14 programs that aim to reduce demand during system peaks, allowing for rate mitigation  
15 benefits associated with electrification to accrue to customers, versus unmanaged  
16 electrification which would pose the risk of increasing system costs which will be borne by  
17 customers.<sup>1</sup>

18 An example of such a program is the planned Electric Vehicle Smart Charger Pilot Program,  
19 which will financially incent and empower customers to manage home and workplace  
20 charging in a manner that reduces peak demand impacts to the electrical system.

21 Additionally, the Commercial Business Efficiency Program will be refined to have a greater  
22 focus on peak demand saving measures, in addition to energy conservation measures.

23 b) Yes, the Utilities plan to work jointly under takeCHARGE in the delivery of electrification,  
24 conservation, and demand management programs to maximize the benefits of

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<sup>1</sup> Please refer to Hydro’s response to PUB-NLH-006.

1            electrification to customers, support peak demand reduction measures, and empower  
2            customers to effectively manage their electricity costs.

3            c) The forecast additional 42 MW is the result of a well-managed electrification program that  
4            accelerates electrification initiatives in the province. The core goal of an electrification  
5            program is to increase electrical energy use in a manner that minimizes impacts to system  
6            peaks. The increased energy sales results in rate mitigation benefits for all customers on the  
7            Island Interconnected System.

8            Specific to the case of electric vehicle adoption, Table F-47 and Table F-48 of Dunskey Energy  
9            Consulting’s Conservation Potential Study<sup>2</sup> provide expected demand and system costs by  
10           year for each electric vehicle adoption scenario.<sup>3</sup>

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<sup>2</sup> “Application for Approvals Required to Execute Programming Identified in the Electrification, Conservation and Demand Management Plan 2021–2025,” Newfoundland and Labrador Hydro, rev. 1, July 8, 2021 (originally filed June 16, 2021), sch. 3, sch. C, p. 325 of 325.

<sup>3</sup> System costs found in Table F-48 reflect the marginal cost of energy and capacity.