

1 Q. If the annual update/re-evaluation of the mTRC analyses shows that a program is no longer cost-  
2 effective, what action will Hydro take? If a program(s) is suspended or modified, how would this  
3 affect the delivery of other planned electrification programming or are programs independent?

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6 A. *This Request for Information relates to the Electrification, Conservation and Demand*  
7 *Management Plan: 2021-2025 (the “2021 Plan”) developed in partnership by Newfoundland and*  
8 *Labrador Hydro and Newfoundland Power (“Hydro” or, collectively, the “Utilities”). Accordingly,*  
9 *the response reflects collaboration between the Utilities.*

10 The modified Total Resource Cost (“mTRC”) test is assessed at the individual program level. It is  
11 unlikely that the modification or suspension of one program would have a significant impact on  
12 the cost effectiveness of another. For example, suspension of the Custom Electrification  
13 Program would be unlikely to affect the cost effectiveness of programs aimed at increasing the  
14 adoption of electric vehicles.

15 However, electrification programs are also assessed through a net present value (“NPV”)  
16 analysis to determine whether the combined portfolio of programs, including infrastructure  
17 investments, provide a rate-mitigating benefit for customers. The suspension or modification of  
18 a program would require the NPV analysis to be updated to confirm programs continue to  
19 provide a rate-mitigating benefit for customers. If the NPV analysis showed a reduced benefit  
20 for customers, the Utilities would consider whether additional cost-effective measures should  
21 be pursued to ensure all customers continue to benefit from electrification programs.

22 Any changes to electrification programs, including corresponding impacts on the NPV analysis,  
23 will be reported to the Board of Commissioners of Public Utilities through the Utilities’ annual  
24 reporting requirements for customer programs.