Q. (2021 Electrification, Conservation and Demand Management Application, Volume 1, page 4) It is stated (line 4) "*The customer benefits of Newfoundland Power's CDM programs have been substantial*." How does Newfoundland Power define "*substantial*" and please quantify? How do these benefits compare to CDM experience at distribution companies elsewhere?

A. Cumulative energy savings from customer CDM programs are forecast to total 973 GWh over the 2009 to 2020 period.[1] This exceeds the Company's targeted energy savings by approximately 11%.[2] Peak demand savings are forecast to total 45 MW over the same period.[3]

Energy and peak demand savings benefit customers from 2 perspectives. First, customers participating in CDM programs are forecast to realize electricity bill savings of approximately $118 million over the 2009 to 2020 period. Second, customer CDM programs are forecast to reduce overall system costs by approximately $137 million over the same period.[4]

In Newfoundland Power's view, these savings are of considerable benefit to its customers.

The 2020 Efficiency Canada scorecard compared provincial CDM results. Newfoundland Power and Newfoundland and Labrador Hydro's (the "Utilities") joint electricity savings as a percentage of sales scored on par with New Brunswick and above Manitoba, Quebec, Saskatchewan and Alberta. The Utilities ranked fourth amongst the provinces for capacity savings as a percentage of peak demand.[5]

[1] Cumulative energy savings represent the sum total of all annualized energy savings achieved over the period 2009 to 2020F.

[2] Newfoundland Power's cumulative energy savings target is 877 GWh ((973 GWh – 877 GWh) / 877 GWh = 0.11, or 11%).

[3] See the *2021 Electrification, Conservation and Demand Management Application*, Volume 1, Evidence, page 5, line 4.

[4] Lower system costs through customer CDM programs result from reduced energy costs through customers' energy savings, as well as reduced capacity costs through reductions in peak demand.

[5] The 2020 scorecard is developed by Efficiency Canada. Efficiency Canada provides policy analysis and research on energy efficiency throughout the country. Efficiency Canada is housed at Carleton University's Sustainable Energy Research Centre.