

1 **Q. Did the utilities consult with or seek an expert opinion on the appropriate cost-**
2 **effectiveness test(s) to use for electrification programs in this jurisdiction?**
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4 A. *This Request for Information relates to the Electrification, Conservation and Demand*
5 *Management Plan: 2021-2025 (the “2021 Plan”) developed in partnership by*
6 *Newfoundland Power and Newfoundland and Labrador Hydro (“Hydro” or, collectively,*
7 *the “Utilities”). Accordingly, the response reflects collaboration between the Utilities.*
8

9 Yes, the Utilities sought expert opinions on the appropriate cost-effectiveness test for
10 electrification programs in this jurisdiction.
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12 The Utilities contracted Econoler Inc., a consulting services firm, to provide an overview
13 of current utility practice with respect to conservation and electrification programs. This
14 included information on utility practice for evaluating the cost-effectiveness of
15 electrification programs. The results of Econoler’s work are reflected in the Utilities’
16 survey of North American utility practice for evaluating electrification programs.¹ The
17 survey confirmed that the mTRC test is consistent with the approach of other utilities in
18 conducting overall cost assessments of electrification programs.
19

20 The Utilities consulted the *National Standard Practice Manual* (the “Manual”) in
21 developing the appropriate cost-effectiveness test for electrification programs in this
22 jurisdiction. The Manual is published by the National Energy Screening Project, an
23 organization with extensive expertise in cost-effectiveness screening practices. The
24 Utilities applied the principles, steps and considerations outlined in the Manual, including
25 those specific to customer electrification initiatives, in developing the mTRC test.² This
26 ensures the appropriate inputs are included in the mTRC test.
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28 Finally, the Utilities contracted ICF Consulting, a global advisory services provider, to
29 develop a model for calculating the mTRC test. ICF Consulting used its established
30 model, which has been applied in other jurisdictions, and adapted that model for the
31 Newfoundland and Labrador context.³
32

33 Overall, the third-party expertise provided by Econoler, the Manual and ICF Consulting
34 confirms that the use of the mTRC test is appropriate to assess the cost-effectiveness of
35 the Utilities’ electrification programs.

¹ See Newfoundland Power’s *2021 Electrification, Conservation and Demand Management Application*,
Volume 2, Schedule I, page 3.

² See response to Request for Information PUB-NP-053.

³ ICF Consulting indicated that, as examples, its model has been applied in Colorado, Wisconsin, New York and
Nevada. For information on how the mTRC is applied in these states, see response to Request for Information
PUB-NP-053.