Q. Reference: "2022/2023 General Rate Application," Newfoundland Power, May 27, 2021, Volume 2, Section 3.

Please provide assumptions on heat pumps used in the development of Newfoundland Power's last five annual forecasts and resultant impact on Newfoundland Power's customer demand in MW.

A. Heat pump assumptions were made in the annual forecasts prepared in 2020 and 2021. No assumptions for heat pumps were made in the annual forecasts prior to 2020.[1]

Tables 1 and 2 provide the year-over-year energy reductions related to heat pumps and the resulting impact on the forecast of peak demand in the 2020 and 2021 forecasts, respectively.[2]

Table 1:
2020 Customer Energy and Demand Forecast
Heat Pump Impact
2020 to 2025

Year	Energy Reduction (GWh)	Demand Reduction (MW)
2020	(21)	(4.7)
2021	(15)	(3.4)
2022	(21)	(4.8)
2023	(19)	(4.1)
2024	(16)	(3.5)
2025	(10)	(2.3)

[1] Newfoundland Power's actual weather adjusted sales have been between -0.6% and -1.2% lower than forecast each year from 2015 to 2020. See the *2022/2023 General Rate Application, Volume 2, Supporting Materials, Tab 3, Customer, Energy and Demand Forecast, Appendix D.*

[2] Forecasts of peak demand are based on the Company's 5 year average load factor methodology outlined in *Customer, Energy and Demand Forecast, Section 2.5 Peak Demand.*

Table 2:
2021 Customer Energy and Demand Forecast
Heat Pump Impact
2021 to 2026

Year	Energy Reduction (GWh)	Demand Reduction (MW)
2021	(20)	(4.5)
2022	(20)	(4.5)
2023	(20)	(4.5)
2024	(12)	(2.6)
2025	(12)	(2.8)
2026	(12)	(2.7)