

- 1 **Q. Reference: “2022/2023 General Rate Application,” Newfoundland Power, May 27,**  
2 **2021, Volume 2, Section 3.**  
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4 **Does Newfoundland Power believe its demand forecast is appropriate for capacity**  
5 **supply planning? Please explain.**  
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7 A. Newfoundland Power develops its peak demand forecast primarily to estimate purchased  
8 power costs. The Company does not develop its peak demand forecast for supply  
9 planning purposes.  
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11 Newfoundland Power’s peak demand forecast can and has been used for capacity supply  
12 planning.<sup>1</sup> However, doing so would require adequate consideration of risk and the  
13 potential range in peak demands that could be experienced in the forecast period.

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<sup>1</sup> See, for example, Newfoundland and Labrador Hydro’s *Near-Term Generation Adequacy Report – May 2020*, May 15, 2019, page 13.