

**Q.** What factors contributed, in Newfoundland Power's opinion, to the December 2013 and the January 2014 peaks on the Island Interconnected system and explain if these factors could have been forecast?

A. In Newfoundland Power's view, the peak demands experienced on the Island Interconnected System during December 2013 and January 2014 are not unusual given the historic variability of the peak demands that Newfoundland Power has experienced on its system.<sup>1</sup>

The peak demands that were experienced on the Island Interconnected System in December 2013 and January 2014 were, in Newfoundland Power's opinion, contributed to by a variety of factors including:

- Number of customers on the system.
  - Seasonal load variations.
  - Electric space heating requirements.
  - Weather conditions leading up to system peak.
  - Time of day when the peak occurred.

The impact of only some of these factors on peak demand can, in Newfoundland Power's opinion, be reasonably forecast.

Factors such as the number of customers on the system, space heating requirements, and seasonal load variations are included in Newfoundland Power's annual Customer, Energy and Demand Forecast. This results in reasonable estimates of the magnitude of *normalized* winter peaks.

Newfoundland Power does not attempt to forecast *actual* winter peaks.<sup>2</sup> This uncertainty is one of the justifications for a reserve margin in electrical system planning.

Newfoundland Power's forecasting does not attempt to estimate the specific timing of winter peaks. This uncertainty is typically part of day to day power system operations.

<sup>1</sup> See the response to Request for Information PUB-NP-006, page 3, lines 1 to 15.

<sup>2</sup> To attempt to forecast its *actual* winter peak in an annual forecast would essentially require Newfoundland Power to reliably forecast actual weather conditions months in advance.