

1 **Q: Liberty's overall conclusion (p.32) is that no new pre-Muskrat Falls be pursued**
2 **at this time but remains concerned and recommends reconsideration in one**
3 **year or sooner.**
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5 **Considering that new capacity will be costly burden for island ratepayers,**
6 **especially if Muskrat Falls availability renders it redundant, does Liberty agree**
7 **that Hydro should consider demand mitigation actions before considering any**
8 **new pre-Muskrat Falls capacity?**
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11 A. Liberty agrees that any evaluation of new supply options should consider demand
12 mitigation actions. Liberty further believes that such consideration has indeed been
13 the case in recent years. Please see Table 10 in Hydro's ESRA which includes 90
14 MW of "capacity assistance". And note that, since the ESRA, an additional 9 MW of
15 interruptible load has been finalized. Hydro has effectively eliminated the need for
16 one new CT as a result of these arrangements.
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18 Hydro has demonstrated through its actions that it recognizes the value of demand-
19 side initiatives as a vehicle to avoid or defer new capacity. Unfortunately, the
20 quantity of demand response likely to be available is limited. Demand response can
21 be, should be, and is a contributor, but there is a practical limit on just how much can
22 be obtained and relied upon.