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January 26, 2017

Board of Commissioners
of Public Utilities
Suite E210, Prince Charles Bldg
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: Cheryl Blundon
Director of Corporate Services
and Board Secretary

Ms. Blundon:

We write this letter in support of Newfoundland Power's Net Metering Service Option Application.

As you are aware, we presented to your public hearing a few years back on this subject matter as it related to housing and more specifically Net Zero housing, which is quickly becoming the new standard for housing throughout Canada.

However, we do have some comments or suggestions to offer for your consideration.

1. The capital cost to the customer of NL Power as specified in their application should be market priced as elsewhere throughout North America. A schedule of fees should be provided so that there are no hidden costs to customers. This will allow the process to be open and transparent.
2. In our opinion, and based on our economic analysis, the cost of alternate energy, specifically solar panels, is still too high to provide a homeowner with any economic benefit. We believe the alternate energy market will respond based on the NL Power application to lower the capital cost of such, and bring Newfoundlanders and Labradorians install cost of alternate energy more in line with the rest of Canada and make the economics work; but this may take a few years. Our suggestion:

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NL Power's Take Charge Program has been very successful in making many energy efficient products and services main-stream.

We ask that the Public Utilities Board & Commission direct or suggest to NL Power that they offer real meaningful initiatives to alternate energy to make it more acceptable in the short term to their customers. This is more the norm throughout North America, to give homeowners the opportunity to avail of alternate energy, especially for Net Zero housing.

We also suggest that you, through the Public Utilities Board of Commissionaires, suggest NL Power to market this service and their suggested rebate program.

We commend NL Power and NL Hydro on getting to this point, and look forward to the availability of Net Metering In Newfoundland and Labrador.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mercer', with a stylized flourish extending to the right.

Curtis Mercer, B.Comm
President & CEO
K & P Contracting Ltd.

cc: Mr. Dennis Browne
Consumer Advocate