Q. 1 (page 5-15, Section 5.5 – Net Metering Service Option) 2 3 (a) Has NP identified shortcomings in the net metering program that may be 4 hindering up-take? Does NP plan to propose any changes to the net metering 5 program to alleviate shortcomings? 6 7 (b) Has NP identified benefit to cost ratios for net metering installations to provide 8 guidance to customers when making decisions about net metering? 9 10 (c) Has NP done any calculations of the impact on net metering program up-take in response to the forecast doubling of rates following commissioning of Muskrat 11 12 Falls? Please provide any analyses NP had conducted in this regard. 13 14 (a) To date Newfoundland Power has not identified any shortcomings in the Net A. 15 Metering Service Option that may be hindering uptake. 16 17 As of July 31, 2018, the Company has received 20 applications, with 16 approved for 18 construction. Two customers are currently being billed under the Net Metering Service 19 Option. Utility experience indicates that customer up-take of net metering programs 20 tends to be low at the point of program introduction and develop gradually, which is 21 consistent with the Company's experience of the Net Metering Service Option.¹ 22 23 (b) Newfoundland Power has not identified specific benefit to cost ratios for customers. 24 The Company provides continual guidance to customers with respect to the Net Metering 25 Service Option through both responses to individual inquiries and stakeholder engagement.² 26 27 28 (c) To date Newfoundland Power has not completed any calculations of the impact on 29 Net Metering Service Option up-take in response to the interconnection of Muskrat Falls. 30 Continued monitoring of the Net Metering Service Option will provide for future 31 determination of how to evolve the program including the potential to adjust the 32 subscription limit and the re-examination of the pricing associated with Newfoundland 33 Power's Net Metering Service Option following interconnection.

For example, Nova Scotia Power ("NSP") has had a net metering regime since 2005. As of December 31, 2015, NSP had a total of 234 installed net metered customer generation units with a total capacity of 1.7 MW or approximately $\frac{1}{10}$ of 1% of 2015 peak demand of 1,825 MW (1.7 / 1,825 = 0.001). NSP's number of annual additions have been highly variable but have tended to increase over time. In 2007, 9 customers availed of NSP's net metering option; in 2011, an additional 17 customers took up the option; and in 2015, an additional

 ⁴³ customers took up the option. See NSP Regulation 3.6-2015 Net Metering Report filed January 27, 2016.
Stakeholder engagement has included participation in various meetings and information presentation sessions on the Net Metering Service Option including Municipalities Newfoundland and Labrador, Southwest Coast Joint Council and NL Solar Association.