Q. Further to the response to NLH-NP-074, please confirm that for the 8-year period where additional demand costs were required to be recovered from customers that the test year peak demand forecast was materially less than the actual normalized peak demand on more than one occasion.

A. Table 1 provides a comparison of purchased peak demand and test year forecast purchased peak demand for the 8-year period, 2016 to 2023.[1]

Table 1:
Purchased Peak Demand (MW)[2]

Winter Season	Actual	Forecast	Variance %
2015-2016	1,253	1,275[3]	-1.7%
2016-2017	1,317	1,279[4]	3.0%
2017-2018	1,255	1,279[5]	-1.9%
2018-2019	1,309	1,262[6]	3.7%
2019-2020	1,251	1,258[7]	-0.6%
2020-2021	1,251	1,251[8]	0.0%
2021-2022	1,253	1,251[9]	0.2%
2022-2023	1,345	1,251[10]	7.5%

From 2016 to 2022, purchased peak demand varied from the test year forecast within a range of -1.9% to 3.7%. Newfoundland Power would not classify the result of any one year between 2016 and 2022 as being materially different than the overall results over that timeframe.

In 2023, there was a relatively large variance of 7.5% in purchased peak demand from the test year forecast. The Company's actual weather-adjusted system peak for the 2022-2023 winter season occurred at approximately 5:45 p.m. on February 4, 2023. It was the largest peak ever recorded by Newfoundland Power at that time and resulted in the Company's lowest system load factor in the last 15 years.[11]

1 From part b) in the response to Request for Information PUB-NP-101.
2 Weather-adjusted.
3 2016 test year.
4 2017 test year.
5 2018 forecast used in the *2018 Rate of Return on Rate Base Application*.
6 2019 test year.
7 2020 test year.
8 2021 forecast used in the *2021 Rate of Return on Rate Base Application*.
9 2022 test year.
10 2023 test year.
11 Newfoundland Power's system load factor was 47.12% in 2023. For comparison, the Company's five-year average system load factor is 49.35%. For further information on Newfoundland Power's system load factors, see the response to Request for Information PUB-NP-090.