

Q. Would Newfoundland Power and its customers benefit from a wholesale tariff with Hydro that included an Interruptible Service option?

- A. Newfoundland Power currently has an interruptible/curtailable rate available to its customers, which it feels is beneficial, since it allows operational flexibility. The details of an interruptible rate design from Hydro would have to be carefully examined, as it is not clear that having an interruptible rate from Hydro would change the interruptible/curtailable rate design for the customers of Newfoundland Power. However, the rate might provide a basis for the pricing of the interruptible/curtailable credit to its customers.

The frequency and effects of interruption are already factored into Newfoundland Power's cost-of-service and rate design. If none of Newfoundland Power's rates changed as a result of a Hydro interruptible rate, there would be little effect on Newfoundland Power's customers.