

1   Q.   How much reduction in demand at the system peak hour is required of  
2       Newfoundland Power (assuming no energy reductions) to defer the next  
3       plant addition.  
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6   A.   Based on the current plus committed capability of the Island Interconnected  
7       System and the 2003 long term planning load forecast, there are forecast  
8       requirements for additional energy and capacity supply in 2009 and 2011  
9       respectively. As is stated on page 37 of the Production Evidence, based on  
10      these requirements, Hydro would normally plan to add generation in 2010 as  
11      the energy deficit in 2009 is not considered significant. Since the next plant  
12      addition is required to meet both demand and energy requirements, a  
13      reduction in peak only with no associated energy reduction will not defer the  
14      next plant addition, although it may have an impact on which option(s) would  
15      be considered least cost at that time and beyond.