

1 Q. PUB-149 NLH states “the illustrative rate is generation-independent”. Does
2 the inverted rate block in the sample demand energy rate provide an
3 incentive to Newfoundland Power to increase storage levels at it’s hydro
4 plants during Autumn to generate more power during the winter months and
5 maximize savings in purchased power costs?
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7

8 A. No, the load variation component of the RSP, as is currently the case, will
9 stabilize annual energy sales to NP’s test year forecast.
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11 With regard to demand, the illustrative rate is generation-independent under
12 the recommended Option A, as is currently the case.