

1 Q. Further to NP-158 NLH: Assume Newfoundland Power responds to this
2 price signal by increasing storage during Autumn to shift production into the
3 winter months. Does Hydro agree that this approach to storage modification
4 would increase the likelihood of spilling at NP's hydro plants?

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7 A. Further to the response to NP-158 NLH, under Hydro's demand energy rate
8 structure proposal, there would be no incentive to increase storage levels
9 during the Autumn, thus increasing the likelihood of spilling at NP's hydro
10 plants.