

1 Q. Further to NP-126 NLH: Confirm that Hydro is proposing to use a demand
2 cost derived from an embedded cost of service study to encourage NP
3 actively pursue load management.

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6 A. The demand price in the illustrative demand-energy rate is based on
7 embedded costs. As compared with the existing energy-only rate, Hydro
8 believes that this is more representative of how costs are incurred and thus,
9 is a significant step in encouraging load management.