Q. Reference: CA-NP-233 and CA-NP-235

Please identify for the years 2016 and 2017, the aggregate impact of the conservation programs included in the Five-Year Conversation Plan 2016 – 2020 on peak and average demand, explain the methodology used to incorporate the impact on NP's load factor into the peak demand forecast, and provide an adjusted peak demand forecast if the impact has not already been incorporated.

A. Table 1 provides the aggregate impact of the conservation programs included in the Five-Year Conservation Plan 2016-2020 on peak and average demand.

Table 1
The Aggregate Impact of the Conservation Programs on Peak Demand and Energy[1]

Year	Energy Supply Impact (GWh)	Average Demand Impact[2] (MW)	Peak Impact (MW)
2016	27.5	3.1	6.9
2017	49.8	5.7	10.9

Table 1 provides the aggregate impact of the conservation programs relative to 2014.

Newfoundland Power has not incorporated any potential impact from conservation programs on the overall load factor used by the Company to forecast its peak demand forecast.[3] The overall load factor used by the Company is impacted by every change in customer use, one of which is the Conservation Programs. Some of these changes will increase the load factor, such as increasing penetration of electric heat, and others will reduce the load factor such as reduced building heat loss. Newfoundland Power does not consider the impact on load factor by conservation programs to be material enough to adjust the overall load factor. [4]

[1] This is the *Net* energy savings which reflect adjustments for: (i) the timing of customer installations giving rise to the energy savings; and (ii) program free ridership (an estimate of participants who would have chosen the more efficient product without the program). The aggregate impact is relative to 2014 program savings.

[2] The average demand impact is determined as the energy supply impact divided by the number of hours in a year (8784, 8760 for 2016 and 2017 respectively).

[3] The methodology for determining the Company's peak demand is provided in response to Request for Information CA-NP-256.

[4] Newfoundland Power's 15 year average load factor used in its forecast of 51.32 is equivalent to a ratio of peak demand to average demand of 1.9 (See *Volume 2*, *Exhibits & Supporting Materials*, *Reports*, Tab 4, Appendix C). This is similar to the overall ratio of peak demand reduction to average demand reduction for the 2016 and 2017 conservation program of 2.3, and 2.0 respectively (See the response to Request for Information CA-NP-257).