

**2018 Capital Budget Application – Revised Information pursuant to Order P.U. 43(2017) –
Muskrat Falls to Happy Valley Interconnection Project**

1 Q. According to the information provided in preparation for the March 6, 2018
2 meeting, the actual peak demand to date for the Happy Valley - Goose Bay area was
3 66.9 MW for this current 2017-18 winter season while the forecast peak demand
4 was 79.9 MW. The explanation Hydro provided for the difference is that data centre
5 load has yet to ramp up to operational levels (using only 1.6 MW of the anticipated
6 8.6 MW load commitment) and that it has been a milder winter than usual. What
7 were the actual and forecast peak demands for the Happy Valley - Goose Bay area
8 for the previous five years? Please explain any differences between the actual and
9 forecast peak demands for each year.

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12 A. Table 1 provides the forecasted loads¹ for Labrador East (excluding Muskrat Falls
13 Construction Power) and the actual recorded peak load for the Labrador East
14 system for each of the previous five years.

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16 The primary explanation for the differences between the actual demand and
17 forecast peak demand are as follows:

18 2012: Weather conditions at peak were colder than average and domestic class
19 customer growth was under forecast.

20 2013: Weather conditions at peak were colder than average and snow cover was
21 significantly lower than average.

22 2014: Weather conditions at peak were colder than average.

23 2015: Weather conditions at peak were warmer than average.

24 2016: Forecast variance is minimal and not explainable by weather conditions at
25 peak.

¹ P50 forecast

Table 1: Happy Valley Forecast versus Demand

Happy Valley - Goose Bay System						
Winter Peak Demands (MW)						
		Forecasts				
	<u>Actual</u>	2012	2013	2014	2015	2016
2012/13	67.3	63.3				
2013/14	70.3		65.8			
2014/15	71.0			67.4		
2015/16	70.6				71.2	
2016/17	71.1					71.7

Notes: 1. System peaks exclude Muskrat Falls construction power.