

- 1 **Q. (Reference CA-NP-029(g)) Newfoundland Power states *Customer CDM and***
 2 ***electrification programs are complementary. As customers’ energy usage increases***
 3 ***through electrification, it becomes increasingly important to manage impacts on system***
 4 ***peak and related system costs through CDM. Both CDM and electrification programs***
 5 ***result in lower overall costs for customers. This statement implies that CDM is an***
 6 ***important means for reducing system peak. The original RFI asked if CDM***
 7 ***programs do reduce energy consumption then would that effect more than offset the***
 8 ***rate mitigating effects of increased consumption due to electrification.***
 9 **(a) Please compare the amount of increased energy consumption due to**
 10 **Newfoundland Power’s electrification programs to the amount of reduced**
 11 **energy consumption due to Newfoundland Power’s CDM programs over the**
 12 **2021-2025 period.**
 13 **(b) Based on the two consumptions impacts, what would be the net rate**
 14 **mitigation effect of electrification?**
 15
 16 **A. (a) Table 1 compares the forecast annualized impacts on energy consumption of**
 17 **Newfoundland Power’s proposed CDM and electrification programs from 2021 to**
 18 **2025.**

**Table 1:
Forecast Annualized Energy Increase (Decrease)
2021 to 2025
(GWh)**

Year	CDM	Electrification¹
2021	(215.8)	0.5
2022	(239.5)	2.4
2023	(256.1)	6.3
2024	(273.5)	13.4
2025	(293.7)	24.5

- 19 **(b) The customer benefits of CDM programs and electrification programs are**
 20 **evaluated independently to ensure all programs are least cost for customers.**
 21 **Customer CDM programs are not evaluated based on rate impacts.**

¹ See the 2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 2: Customer Operations, page 2-12, Table 2-2.

1 The customer benefits of CDM programs can be observed in lower system costs.
2 Due to CDM programs, Newfoundland Power’s customers are forecast to benefit
3 from lower system costs of approximately \$107 million from 2021 to 2025.²
4

5 The customer benefits of electrification programs can be observed in the longer-
6 term rate mitigation impact. Electrification programs are forecast to achieve a
7 rate mitigating benefit for customers of approximately 0.5 ¢/kWh by 2034.³

² See Newfoundland Power’s *2021 Electrification, Conservation and Demand Management Application, Volume 1, Evidence*, page 11, lines 2-3.

³ See the *2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 2: Customer Operations*, page 2-12, lines 1-5.