

1 Q. In the Board's Report to the Minister on a Referral Concerning Rural Electrical Service dated
2 July 29, 1996, it states: "The Board believes it may be inefficient and costly to create price
3 incentives which would lead to the installation of additional electric heating in rural isolated
4 areas. Some electric heating is currently used, primarily for supplemental heating purposes.
5 One of the options considered by the Board was the adoption of interconnected rates,
6 combined with a prohibition upon installation of electrical heat. The Board does not
7 consider this to be a practical alternative." Does Mr. Henderson disagree with the Board's
8 belief in this matter? If so, please provide your views on this issue

9
10
11 A. The Expert for the Nunatsiavut Government concurs with Public Utilities Board report of
12 July 29, 1996. With the current electricity rate structure for the region, which the Expert
13 Report recommends should remain unchanged for 2016, the principal reliance for heating is
14 on fuel, oil and wood. This situation is consistent with the Board's view. Maintenance of the
15 current rate structure would not alter this situation.