

1 Q. (GRA, Volume II, Exhibit 11 – Review of Demand Billing to NP, page 26)
2 Please file a proposal whereby NP billing demand is adjusted to reflect available
3 Curtailable load on NP's system. Provide details on how the curtailable load amount
4 is determined, tested, and modified on an ongoing basis and identify cost of service
5 implications, and indicate how the proposal addresses the issues requiring
6 investigation identified in the Lummus report.

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9 A. Hydro is willing to explore options related to such a proposal. The NP billing
10 demand could be adjusted in the same manner as the existing NP Generation
11 credit, with a credit for the available curtailable load, net of system reserve, applied
12 to NP's native peak for billing purposes. Hydro suggests the credit would be applied
13 to NP's peak for transmission costing, in the same manner as NP's thermal
14 generation. The determination of the value of the credit would be the available
15 curtailable load forecast at the time Hydro is preparing its GRA.

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17 Hydro does not have enough available data regarding NP's experience with its
18 curtailable customers to offer an informed opinion on the determination, testing
19 and modification of the credit over time. Please see Hydro's response to IC-NLH-
20 072.