

1 Q. **Reference: Exhibit 9.**

2 Please confirm that the problems associated with NP's inappropriate use of
3 curtailable load (i.e., to reduce their peak demand billing, but applied in the
4 absence of any real system emergency or need for the capacity) will be exacerbated
5 by the increase in NP demand charge to the \$9.12/kW level from the current \$4/kW
6 level.

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9 A. A higher demand charge will provide a greater incentive to reduce demand.