

1 Q. Further to response to Request for Information NP-NLH-123:
2 Is the material increase in the demand charge to Newfoundland Power an
3 indication that Hydro wants Newfoundland Power to materially increase the
4 availability of curtailable load on the island interconnected system? Please explain.

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7 A. The material increase in demand charge to Newfoundland Power is not an
8 indication that Hydro wants Newfoundland Power to materially increase the
9 availability of curtailable load on the Island Interconnected System. Rather, the
10 basis for the demand charge in this proceeding is the same as it was proposed in
11 Hydro's 2006 GRA which is to provide an appropriate cost-based price.