

1 **Q. McShane Evidence – Newfoundland Power Inc.’s DBRS Rating Report of**  
2 **September 10, 2012 (Exhibit 4) states at p. 2 that:**

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4 **“Newfoundland Power has a stable customer base, with power sales comprised**  
5 **solely of residential and commercial customers.”**

6  
7 **Can Ms. McShane name any utility(ies) in her sample that has power sales**  
8 **comprised solely of residential and commercial customers?**

9  
10 **A.** No, although a number of the utilities report commercial and industrial load as a single  
11 customer class.

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13 As regards Newfoundland Power, its customers are, for rate purposes, categorized as  
14 residential or general service, with general service customers falling into one of four rate  
15 classes, depending on the size of their load. Newfoundland Power serves a number of  
16 customers categorized as general service but which are in goods producing industries,  
17 and thus more akin to industrial than commercial customers. As noted in response to  
18 CA-NP-328, in the U.S., utilities may classify customers to industrial or commercial  
19 classes based on various criteria such as load profile, North American Industrial  
20 Classification System (NAICS) code, the voltage at which electricity is delivered and end  
21 use applications. If NAICS codes are the determining factor, Newfoundland Power  
22 serves customers and load that would be considered industrial customers and load.