

1 **Q. McShane Evidence – In the utilities in Ms. McShane’s sample, what is the definition**
2 **of a commercial vs. industrial customer/user?**

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4 A. The information required to respond to this question is not readily available. However, as
5 is the case with Newfoundland Power, tariffs are generally size related, not function
6 related. The utilities in the sample do not specify the taxonomy they use to assign
7 customers and load to commercial versus industrial classifications. Ms. McShane would
8 note that, according to the U.S. Energy Information Administration, customer
9 classification by electric utilities, is determined by each individual utility and is based on
10 various criteria such as load profile, North American Industrial Classification System
11 (NAICS) code, the voltage at which electricity is delivered and end use applications.

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13 EIA states that the commercial sector includes nonmanufacturing business establishments
14 such as hotels, motels, restaurants, public street and highway lighting, wholesale
15 businesses, retail stores, health, social, religious and educational institutions and
16 government. The sector also sometimes includes small manufacturing facilities.
17 According to EIA the industrial sector includes manufacturing, construction, mining,
18 agriculture, fishing and forestry establishments. Utilities may classify customers to
19 industrial or commercial classes based on NAICS codes or on consumption
20 characteristics.