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Q. Further to the reply to CA-NP 168, is NP promoting development of distributed resources and if not, why not? 3

A. Newfoundland Power is not actively promoting development of distributed energy
 resources.

As noted in the responses to Requests for Information CA-NP-168 and CA-NP-563, a net metering policy is currently under development which may contribute to an increase in the distributed energy resources installed on the Island Interconnected System. Once it has been finalized, Newfoundland Power will take appropriate measures to promote customer awareness of the net metering policy.

- The *Electrical Power Control Act, 1994* (the "Act") requires that power be provided to
 consumers in the province at the lowest cost consistent with reliable service.
 Newfoundland and Labrador Hydro ("Hydro"), which has primary responsibility for the
 least cost expansion of electricity production on the Island Interconnected System, is
 promoting the Muskrat Falls development as the least cost solution for the future supply
 of electricity to the Island. The promotion of distributed energy resources is not currently
 included in Hydro's expansion plan.
- Until such time as distributed resources are included in the least cost power supply plan
 for the Island Interconnected System, Newfoundland Power does not plan, apart from its
 promotion of net metering, to actively promote their development.