

1 Q. C-60; Volume II, Tab 23: Upgrade Diesel Plant Production Data Collection
2 Equipment – Various Sites, page 4: Hydro states that: *“As well, the increasing*
3 *presence of electric heat in Hydro’s isolated systems is changing the historical*
4 *typical load shape.”*

5 Has Hydro undertaken any economic studies related to the overall cost or benefit to
6 ratepayers, specifying those being provided a subsidy and those paying the subsidy,
7 and/or to the system as a whole of the increased use of electric heat in rural
8 systems? If yes, please provide copies. If no, please explain why not.

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11 A. On page 4 of C-60; Volume II, Tab 23: Upgrade Diesel Plant Production Data
12 Collection Equipment – Various Sites, Hydro should have stated that an increasing
13 presence of electric heat in Hydro’s isolated systems has the potential to change
14 the historical typical load shape.

15
16 Hydro has not undertaken any recent economic studies related to increased use of
17 electric heat in rural systems that quantifies the overall cost or benefit to
18 ratepayers and/or to the system as a whole and that specifies those being provided
19 a subsidy and those paying the subsidy.

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21 Hydro has not completed such studies because there are no policies or regulations
22 in regard to the installation and use of electric heat in Hydro’s rural areas with the
23 exception of the Provincial Government Cabinet Directive that directs all
24 Government departments, agencies and other publically funded bodies not to
25 install electric heating in communities served by diesel generation.