

1 **Volume 1, Section 2 – Customer Operations**

2
3 **Q. (pages 35-42 – Energy Efficiency)**

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5 **a. Would NP participate in any competitive bid solicitations in the Province for**
6 **new generation, energy efficiency or demand management?**
7 **b. Please provide a table summarizing details of NP’s demand management and**
8 **conservation initiatives including programs, costs, expected benefits including**
9 **demand/energy/cost savings, and verification of the savings.**
10 **c. What offsetting savings are incorporated in the 2008 revenue requirement as a**
11 **result of the NP investment in demand management and energy efficiency?**

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13 A. (a) Newfoundland Power is unable to determine whether it would or would not
14 participate in any competitive bid solicitation in the Province for new generation,
15 energy efficiency or demand management at this time. Newfoundland Power
16 would evaluate opportunities and determine whether or not to participate in any bid
17 solicitations as they arise.
18
19 (b) CA-NP-76 contains details of Newfoundland Power’s conservation and demand
20 management programs costs for 2002 to 2008 forecast.¹
21
22 (c) Table 1 summarizes the annual offsetting savings that result from the Company’s
23 investment in CDM initiatives as described at page 35 *et seq.* of the Company’s
24 evidence.
25
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Table 1
Annual Savings Resulting
from CDM Initiatives

	Demand Savings	Energy Savings	Cost Savings²
	kW	kWh	(000)
Wrap Up For Savings	3,500	11,300,000	\$ 1,163
Curtailable Service Option	8,000	-	\$ 384
Facilities Management	2,000	-	\$ 96

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¹ Newfoundland Power and Newfoundland and Labrador Hydro have undertaken a joint Conservation and Demand Management (“CDM”) Potential Study (“the Study”). Because it is too early in the Study process to make conclusions regarding new program opportunities and costs, the Company has not reflected any costs which may arise out of the Study’s conclusions in the Test Year. Newfoundland Power’s Test Year cost forecast for energy efficiency programs is based on the current levels of program participation and costs.

² Losses are excluded from the calculated cost savings. For demand the cost savings are calculated at \$48 per kW per year. For energy, the cost savings are calculated at 8.805¢ per kWh.