

1 Q. Re: Liberty Report, Conclusion 2.22 (pp. 33-34)

2 Citation:

3 2.22. History suggests that Hydro will consult with Newfoundland Power
4 on the design and results of the coming analyses related to conservation
5 and demand management, but it is not clear that Newfoundland Power
6 will share “ownership” of the process.

7 Personnel from Newfoundland Power consider Hydro to have been open in
8 discussing planned work, in sharing results, and in addressing use of analytical
9 information in past program design and evaluation. It remains clear, however, that
10 Hydro’s system planners retain responsibility for program design, the range of
11 assumptions analyzed, the nature of the analyses, selection of resources to assist in
12 performing analyses, oversight of study and analytical work, and final reports.

13 ...

14 One can conclude that it is not necessarily certain that Hydro and Newfoundland
15 Power (and perhaps other stakeholders as well) will agree on the range of schedule
16 and cost assumptions that should be employed. Scope and methodological
17 viewpoints may differ as well. The same is true of views about the time required to
18 complete work that must serve as the foundation for assessing conservation and
19 demand management potential. Full visibility into study work and management of
20 those performing it and vetting results also has importance in our view. Therefore,
21 while Liberty commends efforts to engage Newfoundland Power in discussions and
22 while Liberty would expect Hydro to consider to listen carefully and respond to
23 input, a better approach would be to approach the work not from the perspective
24 of “ownership” by Hydro, but of “partnership” between the two and transparency
25 of the work and its results to the Board and to all stakeholders. (underlining added)

Preamble: It appears that Liberty is recommending a joint decision-making process (a “partnership” approach) between Hydro and NP, as contrasted with a unilateral decision-making process implied by the “ownership” approach.

Is Hydro in agreement with the partnership approach described in the Preamble?

Is Hydro concerned that the partnership approach might result in a slower timeline to implementation than an ownership approach? If so, how does Hydro suggest that its relationship with NP with regard to CDM program design be characterized and managed.

- A. Hydro agrees with the principle of working in partnership with Newfoundland Power, as noted in the preamble, to evaluate and develop a conservation and demand management plan. Hydro notes that owing to the distinct functions that each utility provides in supplying power and energy to Island Interconnected customers, there are particular aspects within the planning of conservation and demand management for which each utility naturally takes a leadership role. Hydro is of the opinion that a partnership approach does not affect the timeline for development and implementation of the conservation and demand management plan.