

Requests for Information

1 **Q. Further to the response to PUB-NP-006, what is Newfoundland Power’s view of the**
2 **statement of Manitoba Hydro International referred to in the response to PUB-**
3 **NLH-010 that “Best utility practices would incorporate end-use modeling techniques**
4 **into the forecasting process so that electrical growth can be quantified for all major**
5 **domestic end-users”?**
6

7 A. The statement of Manitoba Hydro International referred to in the response to Request for
8 Information PUB-NLH-010 was made in relation to the load forecast accuracy of *Nalcor*.
9 That forecast is one of the bases for Nalcor’s evaluation of expansion alternatives to the
10 electrical system. Such evaluations are typically based on longer term forecasts of 20
11 years or more.
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13 The statement of Manitoba Hydro International was not made in reference to the
14 Customer, Energy and Demand Forecast of *Newfoundland Power* which was the subject
15 of the response to Request for Information PUB-NP-006. Newfoundland Power’s
16 Customer, Energy and Demand Forecast is a 5-year forecast used for operational and
17 ratemaking purposes.
18

19 It is Newfoundland Power’s general view that the incorporation of more sophisticated
20 end-use modeling techniques into its forecasting process is possible.¹ However, given the
21 purpose of Newfoundland Power’s Customer, Energy and Demand Forecast and its
22 relative accuracy, Newfoundland Power is not convinced that the cost to the Company
23 (and its customers) of incorporation of more sophisticated end-use modeling techniques
24 into its forecasting process would be justified by improvements in forecast accuracy.²
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26 Please refer to the response to Request for Information PUB-NP-054 for justification of
27 Newfoundland Power’s conclusion that no substantial modification is required in relation
28 to customer, energy and demand forecasting as a result of the events of January 2-8, 2014.

¹ Newfoundland Power’s Customer, Energy and Demand Forecast does include a *limited* amount of end-use modeling. For example, market share for electric space heating is a determinant of the Company’s domestic energy forecast for its Domestic rate class (see Attachment A to the response to Request for Information PUB-NP-006, page 1).

² Newfoundland Power does not participate in a meaningful way in the evaluation of generation expansion alternatives for the Island Interconnected System. Accordingly, Newfoundland Power is in no position to comment on what system planning benefits might accrue from the introduction of more sophisticated end-use modeling techniques in Nalcor’s forecasts.