

- 1 **Q. The response to PUB-NP-001 and Note #1 in the response to PUB-NP-002 indicates**  
 2 **that Newfoundland Power has approximately 97.5 MW of hydroelectric generation**  
 3 **and approximately 41.5 MW of thermal generation (139 MW total). The response to**  
 4 **PUB-NP-006, “Purchased Energy and Demand Forecast” table in Appendix C of**  
 5 **Attachment A, indicates that the assumed generator credit is 117.93 MW. Explain**  
 6 **why Newfoundland Power does not assume a generator credit of 139 MW.**  
 7
- 8 A. The generation credit is established in Newfoundland and Labrador Hydro’s schedule of  
 9 wholesale electricity rates for utilities. The generation credit is effectively Newfoundland  
 10 Power's net generation capacity less an allowance of 15% for system reserve.  
 11  
 12 The current generation credit calculation is shown in Table 1.  
 13  
 14

**Table 1**  
**Generation Credit Calculation<sup>1</sup>**

Hydraulic Generation Credit	80,104 kW
Thermal Generation Credit	<u>37,826 kW</u>
Total Generation Credit	117,930 kW

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<sup>1</sup> See the Hydro Rate Manual, July 2014, page UT-1.