

1 **Q. With reference to Application Schedule C page 302 to 313 of 325, and page 119 of 325:**

2 Please provide a detailed quantification, with supporting data, for the conclusion that 5% of
3 residential households and 3.5% of commercial floor space will adopt Air Source Heat Pumps, as
4 concluded by Dunsky at page 119 of 325 of the Application, Schedule 3, Schedule C (and page
5 303). Please ensure all values in support of the conclusion (and as presented in Tables F-19, F-
6 24, F-30, and F-33) are referenced to available or public source materials or other verifiable
7 data.

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10 **A.** To provide the information requested, Newfoundland and Labrador Hydro and Newfoundland
11 Power Inc. (collectively, the “Utilities”) would be required to engage Dunsky Energy Consulting
12 (“Dunsky”) as the models and methodologies used to derive the tables, charts, and figures
13 provided within the Newfoundland and Labrador 2020–2034 Conservation Potential Study
14 (“Study”) are owned by Dunsky.

15 It is important to recognize that the purpose of the Study is to provide a high-level assessment
16 of electricity-impacting opportunities in the province of Newfoundland and Labrador from 2020
17 to 2034. As noted in the Executive Summary, the Study “. . . is *not* intended to give granular
18 information about measures in specific segments, but rather give a macro view of efficiency
19 potential.”¹ As such, to assess Dunsky’s determinations in the individual areas examined within
20 the Study (i.e., efficiency savings potential, demand response potential, fuel switching potential,
21 or electric vehicle adoption) in isolation would be a misuse of the Study.

22 The Utilities’ applications request approval of a modified Total Resource Cost (“mTRC”) test to
23 evaluate the cost-effectiveness of customer electrification programs. Modifications to the
24 scenarios studied or underlying assumptions of the Study would not impact the appropriateness
25 of the mTRC test for evaluating electrification programming. If approved, the Utilities would

¹ “Application for Approvals Required to Execute Programming Identified in the Electrification, Conservation and Demand Management Plan 2021–2025,” Newfoundland and Labrador Hydro, rev. 1, July 8, 2021 (originally filed June 16, 2021), sch. 3, sch. C, p. 16 of 325.

1 conduct a regular economic evaluation using the mTRC test to confirm the cost-effectiveness of
2 its electrification programming. Such analysis would reflect changes that are likely to occur over
3 time such as government policy changes, fuel price changes, technology changes, and various
4 other market conditions.

5 Hydro believes that the time and cost associated with engaging Dunsky to provide the requested
6 information would not add value to the regulatory review of the application.