PUB-CA-010

On page 36, lines 5-9 Elenchus states: "In Elenchus' view, it would be desirable for NP to conduct its planning on the basis of an integrated resource plan (IRP) that determines the least cost supply scenario based on the recognition that generation, demand-side management (DSM) and DERs are supply options that will increasingly be substitutable in the next few decades (i.e., over the planning horizon for projects such as Sandy Brook). All projects providing generation, transmission or distribution capacity should be consider [sic] in the IRP." In Elenchus' view how would the provisions of Part II.1 of the EPCA. which gives Newfoundland and Labrador Hydro the exclusive right to supply, distribute and sell electrical power or energy to a retailer or industrial customer on the island and requires a retailer or industrial customer to purchase power or energy exclusively from Newfoundland and Labrador Hydro, affect how Newfoundland Power would conduct its planning in the context of IRP?

RESPONSE:

Elenchus assumes that in conducting its planning in the context of IRP, Newfoundland Power would:

- (i) if it thought it necessary, seek legal advice as to how Part II.1 would apply; and
- (ii) having done so, if Newfoundland Power continued to believe there to be legal uncertainty, ask the PUB for guidance or a recommendation in accord with s. 16 of the *Public Utilities Act* as to compliance with Part II.1.