

1 **Q. In its response to NLH-NP-047, Newfoundland Power provided its native peak**  
2 **demand for the period from 2021 through 2023 forecast.**

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4 **Please explain the 104.5 MW of load decline observed between the weather**  
5 **normalized peak demand of 1,445.9 MW observed in 2016 and the forecast weather**  
6 **normalized peak demand of 1,341.4 MW in 2023.**

7  
8 A. For the period 2010 to 2020, Newfoundland Power’s weather normalized peak demand  
9 (“peak demand”) has ranged from a low of 1,241.0 MW in the 2010-2011 winter season,  
10 to a high of 1,445.9 MW in the 2016-2017 winter season.<sup>1</sup> This represents a range of  
11 approximately 205 MW. Newfoundland Power’s peak demand forecast of 1,341.4 MW  
12 for the 2023-2024 winter season is close to the midpoint of this range.<sup>2</sup>

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14 A peak demand forecast that is lower than the 1,445.9 MW peak experienced in the 2016-  
15 2017 winter season can be reasonably expected considering the decline in Newfoundland  
16 Power’s energy requirements over time.<sup>3</sup> The high peak demand experienced during the  
17 2016-2017 winter season occurred when Newfoundland Power’s energy requirements  
18 were relatively high.<sup>4</sup> Newfoundland Power’s forecast energy requirements in 2023 are  
19 more comparable to the 2011 to 2013 period when energy requirements were lower.<sup>5</sup>  
20 The Company’s peak demand forecast for the 2023-2024 winter season is also  
21 comparable to the peak demand experienced in the 2011 to 2013 period.<sup>6</sup>

22  
23 Newfoundland Power’s peak demand can vary from one year to the next. For example,  
24 the peak demand that occurred in the 2016-2017 winter season was approximately  
25 65 MW higher than the peak demand experienced in the previous winter season.<sup>7</sup>  
26 Similarly, the peak demand that occurred in the 2016-2017 winter season was  
27 approximately 61 MW higher than the peak demand experienced in the following winter

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<sup>1</sup> Newfoundland Power’s peak demand in the 2020-2021 winter season was 1,299.8 MW. Since it occurred at the onset of COVID-19 public health measures in February of 2021, this winter peak is not included in determining the Company’s peak demand forecast.

<sup>2</sup> Newfoundland Power’s weather normalized peak demand forecast is 100.3 MW higher than the low end of the range (1,341.4 MW – 1,241.0 MW = 100.4 MW). The Company’s weather normalized peak demand forecast is 104.5 MW lower than the high end of the range (1,341.4 MW – 1,445.9 MW = 104.5 MW).

<sup>3</sup> See response to Request for Information NLH-NP-084 for an explanation of the factors that are contributing to a decline in the Company’s energy sales.

<sup>4</sup> Newfoundland Power’s Weather Normalized Produced & Purchased energy requirements in 2016 was 6,295.2 GWh, the second highest recorded by the Company and slightly lower than the all-time high of 6,309.4 GWh experienced in 2015. See Response to Request for Information NLH-NP-082, Attachment A.

<sup>5</sup> Newfoundland Power’s Weather Normalized Produced & Purchased energy requirements in 2023 is forecast to be 5,971.5 GWh. Actual Weather Normalized Produced & Purchased energy requirements in 2011, 2012, and 2013 was 5,877.8 GWh, 5,976.1 GWh, and 6,107.1 GWh, respectively.

<sup>6</sup> The peak demand forecast for the 2023-2024 winter season is 1,341.4 MW. The peak demands experienced during the 2011-2012, 2012-2013, and 2013-2014 winter seasons were 1,310.3 MW, 1,360.0 MW, and 1,352.4 MW, respectively.

<sup>7</sup> Newfoundland Power’s peak demand in the 2015-2016 winter season was 1,381.2 MW.

1 season.<sup>8</sup> A peak demand forecast that is approximately 100 MW lower than a peak  
2 demand experienced 7 years prior is not unreasonable.

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4 In addition to changes in forecast energy requirements, Newfoundland Power's  
5 methodology to forecast peak demand also takes into consideration historical peak  
6 demands, including the high peak demand experienced in the 2016-2017 winter season.<sup>9</sup>  
7 This ensures the Company's peak demand forecast accounts for higher peak demands and  
8 lower load factors that can occur in a year.<sup>10</sup>

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<sup>8</sup> Newfoundland Power's peak demand in the 2017-2018 winter season was 1,384.9 MW.

<sup>9</sup> Newfoundland Power uses a 5-year average historical load factor and forecast energy requirements to forecast peak demand. See responses to Requests for Information PUB-NP-053, PUB-NP-109, and NLH-NP-078 regarding Newfoundland Power's peak demand forecast methodology.

<sup>10</sup> See response to Request for Information NLH-NP-082, Attachment A.