

**Section 5: Customer Rates**

**Q. Reference: “2025/2026 General Rate Application,” Newfoundland Power Inc., December 12, 2023, vol. 1, sec. 5.2.2, p. 5-6, Table 5-4. Please explain the forecast decrease in Newfoundland Power’s Native Peak from 2024 to 2026 Forecast.**

**A.** Table 1 provides Newfoundland Power’s native peak for the 2022 to 2026 forecast period.<sup>1</sup>

**Table 1:  
Native Peak  
2022 to 2026 Forecast**

	2022	2023F	2024F	2025F	2026F
Native Peak (MW)	1,462.7	1,448.2	1,476.3	1464.9	1455.2

Newfoundland Power forecasts peak demand using a load factor-based methodology using a five-year average load factor.<sup>2</sup> The Company’s native peak is forecast to increase over the 2022 to 2025 forecast period.

The 2024 native peak reflects a manual adjustment related to the Memorial University electric boilers which were initially anticipated to be in service in November 2024.<sup>3</sup> A manual adjustment was applied in 2024 since the electric boilers were anticipated to be in service for only the months of November and December.<sup>4</sup>

For 2025, Newfoundland Power did not make an adjustment to its peak demand forecast on account of Memorial University’s electric boilers. This is because the energy forecast included Memorial University’s electric boilers for the entire year and would be adequately reflected in the demand forecast for that year.<sup>5</sup>

<sup>1</sup> The native peak for each year reflects the forecast for the winter period beginning in that year (e.g. the 2024 native peak reflects the forecast for the winter period of December 2024 to March 2025). For further details, see the *2025/2026 General Rate Application, Volume 2: Supporting Materials, Customer, Energy and Demand Forecast, Appendix C*.

<sup>2</sup> For further details on the load factor-based methodology, see the *2025/2026 General Rate Application, Volume 2: Supporting Materials, Customer, Energy and Demand Forecast, 2.5 Peak Demand*.

<sup>3</sup> See the *2025/2026 General Rate Application, Volume 2: Supporting Materials, Customer, Energy and Demand Forecast, Appendix C – Purchased Energy and Demand Forecast 2023-2026F, Note 1*.

<sup>4</sup> Newfoundland Power’s load factor methodology is based on energy sales for an entire year. Using only one month of energy sales to forecast the estimated impact of the electric boilers would have resulted in an underestimation of peak demand for 2024.

<sup>5</sup> The load factor associated with Memorial University’s electric boilers is estimated to be approximately 57%. Since the Company’s load factor used for forecasting purposes is lower at 49.35%, all of the anticipated demand associated with the electric boilers is adequately accounted for in the Newfoundland Power’s peak demand forecast.

1 For 2026, Newfoundland Power’s peak demand is forecast to decline by approximately  
2 10 MW, or 0.7%. This is due to a forecast decline in energy sales related to price  
3 elasticity.<sup>6</sup>

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<sup>6</sup> See the response to Request for Information PUB-NP-103 for additional information related to price elasticity.