

1 Q. Page 7 states: "It would be more effective to consider a PUB decision/directive that caps
2 electricity costs, coupled with a more intensive strategy for energy efficiency and renewable
3 energy for the Nunatsiavut Region." Given the rates policy for customers on the Labrador
4 Isolated System are a result of Government directives, does Mr. Henderson agree that a
5 revised Government direction is required to permit the PUB to implement a decision that
6 caps electricity costs. If not, why not?

7

8

9 A. Decisions of the PUB are made with due consideration of government policy directives and
10 norms and practices of Newfoundland and Labrador Hydro. Thus, the Nunatsiavut Expert
11 proposes a strategic and holistic approach to the PUB's decisions concerning electricity rates
12 in the region. More substantive efforts to reduce electricity demand through energy
13 efficiency, demand side management and end-use technologies, further to actions in these
14 areas that have already been taken, should logically be the first focus for action, before rate
15 increases are considered. Reducing consumption prior to introducing rate increases serves
16 to reduce impacts on households and commercial operations over both the short and long
17 term. Designing and implementing such actions would ideally be done through joint
18 Newfoundland and Labrador Government and utility efforts in consultation with the
19 Nunatsiavut Government.