Reference: Newfoundland and Labrador Hydro - Long-Term Load Forecast Report 1 Q. Please refer to the LTLFR at page 16 line 12 to page 17 line 13. 2 3 a) Please provide all assumptions regarding the customer incentives for the adoption of 4 heat pumps (e.g., tax credits, direct subsidies, etc.). b) Are the incentives in (a) contingent on customer adoption of 100% electric heat, or are 5 6 customers able to maintain backup sources of heat? Please explain, and please describe 7 how the forecast incorporates any requirements for qualifying for incentives. 8 9 10 A. a) The adoption of heat pumps in electrically heated homes was primarily based on historical 11 uptake with the impact of the Government of Canada's "Canada Greener Homes Initiative" 12 taken into consideration. Newfoundland Power Inc.'s April 2023 Load Forecast for heat pump adoption was also reviewed and considered during the development of the load 13 14 forecasts. 15 b) The section in question pertains to the adoption of heat pumps in homes that already use electric heat. These installations are assumed to be for the purpose of improving energy 16 17 efficiency. 18 For the oil-to-electric conversions detailed in Newfoundland and Labrador Hydro's Long-19 Term Load Forecast Report, a mix of electric heating systems was assumed and there was no assumption made about consumers being allowed to maintain their non-electric heating 20

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backup heating source would not have a material impact on the load forecast.

system as a backup heating source.² However, it was assumed that the electric heating

source would be their primary heat source and any heating provided by their potential

¹ "Long-Term Load Forecast Report – 2023," Newfoundland and Labrador Hydro, March 28, 2024, sec. 3.3.1.3, pp. 14–16.

² The most recent update of the provincial Oil to Electric Incentive Program requires participants to remove oil tanks; however, historically, there was no removal requirement for participants. Such removal is also not required by the current federal Greener Homes Program.