

- 1 **Q. (Reference Application) With respect to managing peak demand increases**  
2 **associated with electrification programs:**  
3
- 4 **a) How will Newfoundland Power manage the peak demand increase?**  
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- 6 **b) What would it cost to meet the additional peak demand requirements brought**  
7 **on by the proposed electrification program assuming CDM programs are the**  
8 **same with or without the proposed electrification program?**  
9
- 10 A. a) See parts (b) and (c) to response to Request for Information CA-NP-011 for  
11 information on managing system peak.  
12
- 13 b) Incremental system costs resulting from electrification initiatives are outlined in  
14 Newfoundland Power’s net present value (“NPV”) analysis.<sup>1</sup>  
15
- 16 For example, by 2034 it is projected that incremental system costs will total  
17 approximately \$62 million as a result of electrification initiatives. These system costs  
18 are more than offset by projected incremental revenues from electrification initiatives  
19 of approximately \$100 million by 2034.  
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- 21 Increased net revenue (i.e. incremental revenues less incremental system and program  
22 costs) through electrification will provide a rate mitigating benefit for customers of  
23 approximately 0.5¢/kWh by 2034.

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<sup>1</sup> See the *2021 Electrification, Conservation and Demand Management Application*, Volume 1, Exhibit 2, Appendix A.