Q. Describe how Newfoundland Power assures that its electric systems have sufficient capacity reserves to account for any actual (non-normalized) peak demands which might exceed forecasted weather-normalized peak demands.

A. Newfoundland Power develops a substation transformer and distribution feeder peak load forecast to trigger projects that would be necessary to meet customer load growth. These forecasts are completed using forecast energy requirements, actual historical peak demands, five-year historic worst case load factors and local knowledge of load growth. This forecast method is not weather-normalized and tends to result in forecasts of peak demands that are higher than would be expected under typical or average peak load conditions.

For further information on the Company's peak load forecasting methodology and design criteria, including normal and emergency equipment load limitations, see the responses to Requests for Information PUB-NP-145, PUB-NP-146, PUB-NP-155, PUB-NP-157 and PUB-NP-273.