**Q. Provide system load factors including actual figures for the years 1998 through 2002 (forecast through year-end), and forecast for the years 2003 through 2005, and describe the steps that have, and are, being taken to improve load factor.**

A. Load factors relate average loads (total energy delivered, in kWh, divided by the total number of hours over which it was delivered) to peak loads. Table 1 below provides actual load factors for Newfoundland Power's electrical system for the years 1998 to 2001, and forecast system load factors for 2002 to 2005. For comparative purposes, a 10-year rolling average system load factor has also been provided. The rolling average provides a better indication of trends in the annual load factor data.

Average loads used in the calculation of load factors are based on normalized energy.

**Table 1**
**Newfoundland Power**
**System Load Factors**
**(1998-2005F)**

| Year | 1998 | 1999 | 2000 | 2001 | 2002F | 2003F | 2004F | 2005F |
|---|---|---|---|---|---|---|---|---|
| Annual System Load Factor | 0.519 | 0.540 | 0.549 | 0.476 | 0.492 | 0.492 | 0.492 | 0.492 |
| 10-Year Rolling Average System Load Factor | 0.487 | 0.497 | 0.504 | 0.505 | 0.504 | 0.506 | 0.504 | 0.505 |

The Curtailable Service Option and the Wrap Up For Savings customer financing program are Company initiatives that contribute to the improvement of the system load factor. Information pertaining to these initiatives is contained in the Company's annual DSM Reports which are attachments included with the Company's response to Request for Information CA-239. In addition, the Company makes its Customer Service Specialists available to assist individual customers in managing and improving the load factors associated with their usage of electricity. This also contributes to the improvement of the total system load factor.