

1 **Q. In reference to the evidence of Larry Brockman, page 13, lines 12 to 14 - “I**
2 **recommend that the Company consider adopting a simpler method for calculating**
3 **the Curtailable Service Option credit, or freeze the credit until the benefits can be**
4 **properly calculated.” - Provide details of the “simpler method” that Mr. Brockman**
5 **is referring to in this statement, and reasons why Newfoundland Power has been**
6 **unable to properly calculate the benefits in the five years since the Board’s Order.**

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8 A. See section 8.0 (Conclusions and Recommendations) of Mr. Brockman’s report, *A*
9 *Review of the Curtailable Service Option for Newfoundland Power*, provided as
10 Attachment A in the Company’s response to Request for Information CA-295. In this, he
11 recommends a simpler method for calculating the Curtailable Service Option credit that
12 would involve basing the credit on embedded demand costs. The credit could be
13 provided either through a reduced demand charge or by providing a credit back to the
14 customer for a portion of the demand charge.

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16 As noted in Mr. Brockman’s review, Newfoundland Power has been unable to properly
17 calculate the benefits of the Curtailable Service Option because it does not have the
18 proper data or programs to accurately calculate the benefits of reducing peak load.