

1 Q. Further to TC-IC-NLH-024, if peak demand savings from DMSHP are low, how does incenting a
2 high efficiency DMSHP make economic sense, when the lost energy supply (significant lost
3 revenue, low marginal energy cost savings) is only slightly offset due to limited peak capacity
4 benefits?

5

6

7 A. In Newfoundland and Labrador Hydro’s view, incenting the installation of ductless mini-split
8 heat pumps for electrically-heated customers is not necessary given the amount of adoption
9 that is naturally occurring in the market. This is further supported by the Conservation Potential
10 Study¹ by Dunsky Energy Consulting and discussed in part (b) of Newfoundland Power Inc.’s
11 response to CA-NP-030.

¹ “Application for Approvals Required to Execute Programming Identified in the Electrification, Conservation and Demand Management Plan 2021–2025,” Newfoundland and Labrador Hydro, rev. 1, July 8, 2021 (originally filed June 16, 2021), sch. 3, sch. C, p. 26 of 325, f.n. 4.