

1 Q. **Reference: Application, Volume 1, page 2.13, footnote 22**

2 Hydro states that the Reference Case reflects current and committed government
3 decarbonization policies and programs. Identify each policy, program or initiative assumed in
4 the preparation of the 2027 Test Year load forecast along with:

- 5 a) the expected implementation date;
- 6 b) the assumed customer participation;
- 7 c) the incremental annual energy impact (GWh);
- 8 d) the incremental winter peak impact (MW); and
- 9 e) whether the policy is legislated, funded, approved or otherwise committed.
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12 A. For the 2025 Reference Case Load Forecast, Newfoundland and Labrador Hydro (“Hydro”)
13 included: (i) the Oil-to-Electric Program;¹ (ii) Government Building Electrification;^{2,3} and
14 (iii) Memorial University of Newfoundland (“MUN”) Electrification.

15 ***The Oil-to-Electric Program***

- 16 a) The oil-to-electric program was announced in June 2023 and is a joint incentive program
17 offered by the Government, in collaboration with Natural Resources Canada and
18 Environment Canada. Incentives are available to oil-fueled homeowners, based on
19 household income, who want to switch to electric heating. Rebates were retroactive to
20 April 1, 2023.

¹ In June 2023, the Government of Newfoundland and Labrador (“Government”), in collaboration with Natural Resources Canada and Environment and Climate Change Canada, announced funding towards the implementation of new fuel-switching and energy efficiency incentive programs. Government of Newfoundland and Labrador, “Provincial and Federal Governments Launch New Oil to Electric Incentive Program,” June 29, 2023, <https://www.gov.nl.ca/releases/2023/ecc/0629n03/>.

² Consistent with Government’s list of government building conversions dated April 2024; no further updates provided for 2025.

³ Government of Newfoundland and Labrador, “Energy Efficiency and Fuel Switching in Public Buildings,” Municipal and Community Affairs, <https://www.gov.nl.ca/mca/low-carbon-economy-programs/publicbuildingsfuelswitching/>.

- 1 **b)** At the time of the 2025 forecast development, the residential oil-to-electric program
2 applications were due by the end of March 2026. By March 2025, approximately 2,700
3 conversions had taken place through the program. Hydro forecast approximately 2,900
4 additional conversions to occur in 2025, and 3,400 to occur in 2026.
- 5 **c)** Based on Hydro's load forecast model, forecast residential conversions to electric heat in
6 2025 contributed approximately 44 GWh to residential sales. Forecast residential
7 conversions in 2026 contributed an additional 52 GWh to residential sales. For the 2027 Test
8 Year, completed conversions combined with all forecast conversions for 2025 and 2026
9 added approximately 150 GWh to system requirements.
- 10 **d)** The forecasted incremental winter peak impact for Hydro's system was approximately
11 9 MW in 2025, and an additional 11 MW in 2026. For the 2027 Test Year, completed
12 conversions combined with all forecast conversions for 2025 and 2026 added approximately
13 29 MW to the system winter peak requirements.
- 14 **e)** Additional program funding was announced in February 2024.⁴

15 ***Government Building Electrification***

- 16 **a)** The Energy Efficiency and Fuel Switching Program began in 2018 to support energy
17 efficiency and fuel switching retrofits in existing public sector buildings that were reliant on
18 fossil fuels for space heating.
- 19 **b)** Three public buildings were forecast to be converted in 2025 and one building in both 2026
20 and the 2027 Test Year.
- 21 **c)** The public building conversions to electric heat were forecast to add approximately 2.3 GWh
22 and 0.7 GWh to Island system requirements in 2025 and 2026, respectively. For the 2027
23 Test Year, 3.0 GWh of new public building conversions to electric heat were included. It is

⁴ Government of Newfoundland and Labrador, "Federal-Provincial Agreement Allows Newfoundlanders and Labradorians to Switch from Heating Homes with Oil to Heat Pumps and Other Electric Home Heating Systems," Environment and Climate Change, February 23, 2024, <https://www.gov.nl.ca/releases/2024/ecc-en/0223n02/>.

1 estimated that from 2018 to 2024, approximately 12 GWh of public building conversions to
2 electric heat were completed through this program.

3 **d)** The incremental winter peak impact was approximately 0.8 MW and 0.2 MW in 2025 and
4 2026, respectively. For the 2027 Test Year, approximately 1 MW has been added to the
5 winter peak due to these new electric heat conversions. It is estimated that previous public
6 building conversions through this program have added approximately 4 MW to the system
7 peak.

8 **e)** This program was jointly funded by the provincial government and the federal government
9 through the Low Carbon Economy Leadership Fund.

10 ***MUN Electrification***

11 **a)** The MUN electric boilers were forecast to be in service in the fall of 2025.⁵

12 **b)** Not applicable.

13 **c)** The electric boilers were forecast to add approximately 20 GWh to the load forecast in 2025
14 and an additional 85 GWh in 2026. For the 2027 Test Year, the MUN electric boiler
15 conversion is forecast to contribute 105 GWh to the load forecast.

16 **d)** The winter peak impact was forecast to be approximately 21.7 MW each year in both 2026
17 and in the 2027 Test Year. As noted in Hydro's response to part b) of IIC-NLH-010 of this
18 proceeding, MUN is a customer of Newfoundland Power Inc. ("Newfoundland Power").
19 Hydro expects it would request curtailment of MUN load in the same manner it requests
20 Newfoundland Power to curtail load under its Curtailable Service Option.

21 **e)** MUN received money to support this electrification through Newfoundland and Labrador's
22 Climate Change Challenge Fund, which is supported through a federal low-carbon fund.

⁵ Currently, the MUN electric boilers are expected to be in service prior to winter 2026–2027. Please refer to Hydro's response to IIC-NLH-010 of this proceeding for more information.