Q. Considering that Marathon Gold Corporation is a new customer, did Hydro reflect a normalized load forecast in the preparation of the Island Industrial load forecast in preparing the 2027 Test Year cost of service study? Explain.

A. Newfoundland and Labrador Hydro incorporated a normalized demand forecast (peak Power on Order in the 2027 Test Year) and a more conservative energy forecast (approximately 15% less than the optimized load factor for this type of customer) in the 2027 Test Year. The more conservative energy forecast was based on available data and historical performance of new Industrial customer behavior. It is expected that new Industrial customers will have a lower load factor as they ramp up to full operations.