

1 Q. Provide a Table which shows the following for each of the years 1994 - 2000
2 inclusive assuming the implementation of the Cost of Service Methodology
3 approved in the Public Utility Board 1993 Report (where the vertical axis
4 represents the years and the horizontal axis (*sic*) the following data):
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- 6 1. the demand rate which would have been charged the Industrial
7 Customers for firm power and for each class of non-firm service;
- 8 2. the energy rate which would have been charged the Industrial
9 Customers for firm power and for each class of non-firm service and
10 for wheeling;
- 11 3. the Specifically Assigned Charges which would have been charged
12 Industrial Customers, and the total for all Industrial Customers;
- 13 4. the total number of kWh sold to the Industrial Customers for those
14 years for firm power and for each class of non-firm service and for
15 wheeling;
- 16 5. the total dollar amount which would have been billed to the Industrial
17 Customers in those years, exclusive of sales tax, for firm power and
18 for each class of non-firm service and for wheeling (indicate subtotals
19 for each class of service and overall total);
- 20 6. the average cost per kilowatt hour which would have resulted;
- 21 7. the total dollar amount which was billed to Industrial Customers;
- 22 8. the average cost per kilowatt hour which was billed to Industrial
23 Customers;
- 24 9. the difference between (5) and (7).

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26 A. In its 1993 Cost of Service Report the Board stated "That the cost of service
27 methodology recommended herein be adopted by Hydro for the purpose of
28 the next rate referral". Hydro has included the Board's approved

1 methodology in its 2002 Test Year Cost of Service, as recommended. Hydro
2 therefore submits that the requested information is not relevant to this
3 proceeding as it is hypothetical since it does not reflect historic reality and
4 thus no meaningful conclusions can be drawn. Further, Hydro's rate setting
5 is based on forecast costs. When setting rates, Hydro determines margin
6 based on circumstances at that time. Rates were last set for Island Industrial
7 Customers in 1995, using the Interim Methodology, when Industrial
8 Customers were not regulated. The requested information regarding what
9 rates would have been, using the Generic (1993) Methodology, is presently
10 not determinable.