

- 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 the following data):
- 5 1. the demand rate which would have been charged the Industrial
6 Customers for firm power and for each class of non-firm service;
 - 7 2. the energy rate which would have been charged the Industrial
8 Customers for firm power and for each class of non-firm service and
9 for wheeling;
 - 10 3. the Specifically Assigned Charges which would have been charged
11 Industrial Customers, and the total for all Industrial Customers;
 - 12 4. the total number of kWh sold to the Industrial Customers for those
13 years for firm power and for each class of non-firm service and for
14 wheeling;
 - 15 5. the total dollar amount which would have been billed to the Industrial
16 Customers in those years, exclusive of sales tax, for firm power and
17 for each class of non-firm service and for wheeling (indicate subtotals
18 for each class of service and overall total);
 - 19 6. the average cost per kilowatt hour which would have resulted;
 - 20 7. the total dollar amount which was billed to Industrial Customers;
 - 21 8. the average cost per kilowatt hour which was billed to Industrial
22 Customers;
 - 23 9. the difference between (5) and (7).
- 24
- 25 A. In response to an Application to the Board by Industrial Customers, Hydro
26 will file the following Cost of Service Studies as a means of meeting the
27 requirements of this request:

1 (a) 1999 Actual (Rev) - Generic Methodology (Attached)

2 (b) 2002 Test Year - Generic Methodology (Attached)

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4 The following will be filed as per the agreement reached with Industrial
5 Customers as outlined at the August 29th, 2001 meeting with the Public
6 Utilities Board:

7 (c) 2000 Actual – Interim Methodology

8 (d) 2000 Actual – Generic Methodology

9 (e) 1997 Actual – Interim Methodology

10 (f) 1997 Actual – Generic Methodology

11 (g) 2001 Forecast – Interim Methodology

12 (h) 2001 Forecast – Generic Methodology

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14 The terminology used by Hydro when referring to Cost of Service
15 methodologies is as follows:

16 **Interim Methodology** – Methodology as approved in the PUB report
17 dated April 13, 1992. Recommendation 11 of that report states that
18 “Hydro’s proposed cost of service methodology be used until it is
19 examined more fully at another hearing”.

20 **Generic Methodology** – Methodology as approved in the PUB report
21 dated February, 1993. Recommendation 26 of that report states
22 “That the cost of service methodology recommended herein be
23 adopted by Hydro for the purpose of its next rate referral”.

24 **Proposed Methodology** – Methodology as contained in the Cost of
25 Service Study in the pre-filed evidence of Mr. John Brickhill, Exhibit
26 JAB-1. The proposed methodology is based on the generic
27 methodology adjusted as outlined in the written testimony of Mr.
28 Brickhill.