

1 Q. With reference to RSP Hydraulic Production, please confirm that the figures  
2 for hydraulic production in the RSP only include Hydro's own hydro  
3 generating stations and not NUG generation. Please describe any and all  
4 ways in which variations in NUG production affects the amounts charged to  
5 the RSP.

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8 A. The figures for hydraulic production in the RSP only includes Hydro's own  
9 hydro generating stations and does not include NUG generation. Any  
10 variation in NUG production from that used in setting rates for 2002 will  
11 impact the fuel variation component of the RSP. A decrease in NUG  
12 production results in more No. 6 fuel being consumed and the charge to the  
13 plan is the additional number of barrels multiplied by the price variance for  
14 No. 6 fuel (actual price per barrel less price per barrel included in rates). The  
15 opposite would apply for an increase in NUG production.