

1 Q. If Hydro's 2004 Forecast Cost of Service was based on the last forty (40)
2 years lowest historic inflow sequence experienced, would the revenue
3 requirement change? If so, how?

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6 A. It is estimated that hydraulic production for 2004 would decrease by
7 approximately 243 GWh. Thermal production would therefore increase
8 accordingly. This would result in an increase in the total revenue
9 requirement of approximately \$11 million.