

1 Q. Explain in detail, setting out all calculations and indicating the source of all
2 information as required in Schedule 1.5 of the Cost of Service Study
3 (particularly the source of the line 2 MWh estimate), how the proposed
4 wheeling rate was determined and the reasons for any proposed changes in
5 2004.

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8 A. The sources for the two values used in the calculations on Schedule 1.5 are
9 as follows:

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11 (1) Island Interconnected Transmission Revenue Requirement:
12 Exhibit RDG-1, page 22, Line 23, Column 5 \$29,447,273

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14 (2) Transmission Energy: MWh
15 Sales and Bulk Deliveries, Schedule XI, J. R. Haynes 6,547,300

16 Less: Abitibi Price Grand Falls Compensation
17 Abitibi Price Grand Falls Contract, Para. 3.05(c) (31,000)
18 6,516,300

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20 The rate of \$0.00452 per kilowatt hour was obtained by dividing the revenue
21 requirement of \$29,447,273 by 6,516,300,000 kWh.

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23 There are no proposed changes to the calculations shown on Schedule 1.5.