

1 Q. With reference to the proposed Industrial – Non-Firm rate, provide the  
2 detailed reasons and calculations used in determining the amount per month  
3 per kilowatt and provide the details to support the administrative and variable  
4 operating and maintenance charge.

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7 A. The demand component of the industrial non-firm rate is not a cost-based  
8 charge. Rather, it recognizes that there is value associated with the  
9 generation and transmission assets in place to provide this service.

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11 The 10% surcharge is applied to recover the following:

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13 a) an allowance for incidental operating costs of staff and facilities  
14 involved in dealing with the request and subsequent processing of the  
15 associated bill;

16

17 b) an allowance for non-fuel items such as lube oil and fuel additives;  
18 and

19

20 c) transmission losses.