

The percent of generation reserve capacity required to meet the generation capacity planning criteria changed from 18.5% in the previous hearing to 16.0% in the current GRA (see IC-306 NLH). The three major factors affecting this change in percent reserve are:

1. Update of the load shape reflecting recent load shape experience and forecast load;
2. Updates to generation forced outage rates reflecting recent experience; and
3. Updates to the generation mix reflecting recent changes.

The effect of these changes on the level of reserve capacity required to meet the generation capacity planning criteria are estimated to be approximately:

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|-------------------------------|-------|
| 1. Load shape update, | +0.1% |
| 2. Forced outage rate update, | -0.6% |
| 3. Generation mix update, | -2.0% |

The estimated impact of Granite Canal (included in the generation mix update change of -2.0%) is approximately -0.6%.