

1 Q. As Hydro is now requesting finalization of a Rate Stabilization Plan adjustment that
 2 includes a component to deal with the collection of the Historical Plan balance,
 3 from which Teck Cominco was exempt, and as this portion of the Plan no longer
 4 exists, why is it now appropriate to adjust the rates of Teck Cominco to collect this
 5 component?

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 8 A. Hydro's current Application seeks to bring the Teck Cominco, now Teck Resources
 9 Ltd., RSP rate equal to the current plan rate paid by the other Industrial Customers.
 10 When the Teck Cominco rate was initially established, the historical plan rate was
 11 excluded from the rate calculated for that customer. This resulted in Teck
 12 Resources having a lower rate than the other customers. The freezing of rates since
 13 the termination of the Historic Plan has resulted in a discrepancy in the current plan
 14 rates among the customers, and Hydro seeks to ensure all the customers of this
 15 class have the same current plan rate. There is no remaining Historical Plan balance
 16 from which Teck Resources would be exempt, and therefore no remaining Historical
 17 Plan RSP rate component from which Teck Resources would be exempt. Please see
 18 table below for a comparison of the rates charged to Industrial Customers.

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	Industrial Customers (excluding Teck Resources)	Teck Resources (December 31, 2007)	Teck Resources (Proposed)
	(cents/kWh)		
Base Energy Rate	3.676	3.676	3.676
RSP Rate	(0.785)	(2.000)	(0.785)
Net Energy Rate	2.891	1.676	2.891