

- 1 **Q. With regard to the response to CA-NP-154, please provide the same information**  
2 **assuming the following:**  
3  
4 (a) **No change in peak demand and energy from current levels;**  
5  
6 (b) **A 1% increase above forecast in peak demand and energy; and**  
7  
8 (c) **A 2% decrease in peak demand and energy from current levels**  
9  
10 A. (a) Attachment A provides the impact on revenue requirement and the impact on the  
11 required rate increase for the test year for a scenario with no change in customer  
12 peak demand and energy requirements from 2009 to 2010. Attachment A shows a  
13 revenue requirement reduction of \$672,000. The impact on the customer rate  
14 change is a reduction of approximately 0.06%.  
15  
16 (b) Attachment B provides the impact on revenue requirement and the impact on the  
17 required rate increase for the test year for a scenario with a 1% increase above  
18 forecast in peak demand and energy. Attachment B shows a revenue requirement  
19 increase of \$499,000. The impact on the customer rate change is an increase of  
20 approximately 0.02%.  
21  
22 (c) Attachment C provides the impact on revenue requirement and the impact on the  
23 required rate increase for the test year for a scenario with a 2% decrease in peak  
24 demand and energy from the current 2010 forecast. Attachment C shows a  
25 revenue requirement reduction of \$996,000. The impact on the customer rate  
26 change is a reduction of approximately 0.06%.

**Detailed Impact Computations of No Peak Demand and No Energy Growth  
2009 to 2010**

1

**Impact on revenue requirement and requested rate increase of  
No Peak Demand and No Energy Growth 2009 to 2010  
(\$000's)**

*Impact on Proposed 2010 Revenue from Rates Including RSA & MTA*

Proposed Total Revenue from Rates	\$599,641 <sup>1</sup>	
Change in Purchase Power Expense	(\$5,766)	= \$344,155 <sup>2</sup> - \$349,931 <sup>3</sup>
Change in RSA	(\$393)	= (\$393) <sup>4</sup>
Change in Municipal Taxes	<u>(\$145)</u>	= [(\$5,766) + (\$393)] x 2.359% <sup>5</sup>
Revised Total Revenue from Rates	\$593,337	= \$599,641 - \$5,766 - \$393 - \$145

*Impact on Existing 2010 Revenue from Rates Including RSA and MTA*

Total Revenue from Existing Rates before impact	\$564,926	= 568,731 <sup>6</sup> - 3,805 <sup>7</sup>
Change in Revenue From Existing Rates	(\$5,109)	= \$506,284 <sup>8</sup> - \$511,393 <sup>9</sup>
Change in RSA	(\$393)	= (\$393) <sup>4</sup>
Change in Municipal Taxes	<u>(\$130)</u>	= [(\$5,109) + (\$393)] x 2.359% <sup>5</sup>
Revised Total Revenue from Existing Rates	\$559,294	= \$564,926 - \$5,109 - \$393 - \$130

Revised Increase in Total Revenue From Final Rates	\$34,043	= \$593,337 - 559,294
Less Proposed Increase in Total Revenue From Final Rates	<u>\$34,715</u>	= \$34,715 <sup>10</sup>
<b>Impact on total revenue from Final Rates</b>	<b>(\$672)</b>	

Revised Customer Rate Change	6.09%	= \$34,043 ÷ 559,294
Less Proposed Customer Rate Change	<u>6.15%<sup>11</sup></u>	
<b>Impact Customer Rate Change Impact</b>	<b>(0.06%)</b>	

<sup>1</sup> Revenue requirement from final rates, Exhibit 10.

<sup>2</sup> 2009 purchase power expense, Exhibit 3.

<sup>3</sup> 2010 proposed purchase power expense, Exhibit 11.

<sup>4</sup> 2010 proposed total energy sales less 2009 energy sales times July 1, 2008 RSA factor. (5,354.9 GWh - 5,303.3 GWh) x \$0.00761.

<sup>5</sup> MTA factor of 1.02359 effective July 1, 2008.

<sup>6</sup> Total Existing Revenue from Rates including RSA and MTA, Exhibit 10.

<sup>7</sup> Total Price Elasticity Effect, Exhibit 10.

<sup>8</sup> 2009 Revenue from rates, Exhibit 3.

<sup>9</sup> Revenue from existing base rates less price elasticity effects, Exhibit 10.

<sup>10</sup> Proposed Increase in Total Revenue from Rates including RSA and MTA, Exhibit 10.

<sup>11</sup> The proposed rate increase shown in Exhibit 10 rounded to two decimal points.

**Detailed Impact Computations of 1% Increase in Peak Demand and Energy  
Over 2010**

1

**Impact on revenue requirement and requested rate increase of  
a 1% increase in Peak Demand and Energy over 2010  
(\$000's)**

*Impact on Proposed 2010 Revenue from Rates Including RSA & MTA*

Proposed Total Revenue from Rates	\$599,641 <sup>1</sup>	
Demand Supply Cost	\$606	= 1,262.69 MW <sup>2</sup> x 1% x \$48
Energy Supply Cost	\$4,995	= 5,673.0 GWh <sup>2</sup> x 1% x \$0.08805
Change in RSA	\$408	= \$408 <sup>3</sup>
Change in Municipal Taxes	\$142	= [\$606 + \$4,995 + \$408] x 2.359% <sup>4</sup>
Revised Total Revenue from Rates	\$605,792	= \$599,641 + \$606 + \$4,995 + \$408 + \$142

*Impact on Existing 2010 Revenue from Rates Including RSA and MTA*

Total Revenue from Existing Rates before impact	\$564,926	= 568,731 <sup>5</sup> - 3,805 <sup>6</sup>
Change in Revenue From Existing Rates	\$5,114	= \$511,393 <sup>7</sup> x 1%
Change in RSA	\$408	= \$408 <sup>3</sup>
Change in Municipal Taxes	\$130	= [\$5,114 + \$408] x 2.359% <sup>4</sup>
Revised Total Revenue from Existing Rates	\$570,578	= \$564,926 + \$5,114 + \$408 + \$130

Revised Increase in Total Revenue From Final Rates	\$35,214	= \$605,792 - \$570,578
Less Proposed Increase in Total Revenue From Final Rates	\$34,715	= \$34,715 <sup>8</sup>
<b>Impact on total revenue from Final Rates</b>	<b>\$499</b>	

Revised Customer Rate Change	6.17%	= \$35,214 ÷ 570,578
Less Proposed Customer Rate Change	6.15% <sup>9</sup>	
<b>Impact Customer Rate Change Impact</b>	<b>0.02%</b>	

<sup>1</sup> Revenue requirement from final rates, Exhibit 10.

<sup>2</sup> 2010 Forecast Native Peak, *Volume 1, Section 5.2.2, The Forecast*, page 5-5, Table 5-4.

<sup>3</sup> RSA Impact equals 2010 proposed total energy sales of 5,354.9 GWh times 1% times the July 1, 2008 RSA factor \$0.00761.

<sup>4</sup> MTA factor of 1.02359 effective July 1, 2008.

<sup>5</sup> Total Existing Revenue from Rates including RSA and MTA, Exhibit 10.

<sup>6</sup> Total Price Elasticity Effect, Exhibit 10.

<sup>7</sup> Revenue from existing base rates less price elasticity effects, Exhibit 10.

<sup>8</sup> Proposed Increase in Total Revenue from Rates including RSA and MTA, Exhibit 10.

<sup>9</sup> The proposed rate increase shown in Exhibit 10 rounded to two decimal points.

**Detailed Impact Computations of 2% Decrease in Peak Demand and Energy  
Over 2010**

1

**Impact on revenue requirement and requested rate increase of  
a 2% decrease in Peak Demand and Energy over 2010  
(\$000's)**

*Impact on Proposed 2010 Revenue from Rates Including RSA & MTA*

Proposed Total Revenue from Rates	\$599,641 <sup>1</sup>	
Demand Supply Cost	(\$1,212)	= 1,262.69 MW <sup>2</sup> x 2% x \$48
Energy Supply Cost	(\$9,990)	= 5,673.0 GWh <sup>2</sup> x 2% x \$0.08805
Change in RSA	(\$815)	= (\$815) <sup>3</sup>
Change in Municipal Taxes	(\$283)	= [(\$1,212) + (\$9,990) + (\$815)] x 2.359% <sup>4</sup>
Revised Total Revenue from Rates	\$587,341	= \$599,641 - \$1,212 - \$9,990 - \$815 - \$283

*Impact on Existing 2010 Revenue from Rates Including RSA and MTA*

Total Revenue from Existing Rates before impact	\$564,926	= 568,731 <sup>5</sup> - 3,805 <sup>6</sup>
Change in Revenue From Existing Rates	(\$10,228)	= \$511,393 <sup>7</sup> x 2%
Change in RSA	(\$815)	= (\$815) <sup>3</sup>
Change in Municipal Taxes	(\$261)	= [(\$10,228) + (\$815)] x 2.359% <sup>4</sup>
Revised Total Revenue from Existing Rates	\$553,622	= \$564,926 - \$10,228 - \$815 - \$261

Revised Increase in Total Revenue From Final Rates	\$33,719	= \$587,741 - \$553,622
Less Proposed Increase in Total Revenue From Final Rates	\$34,715	= \$34,715 <sup>8</sup>
<b>Impact on total revenue from Final Rates</b>	<b>(\$996)</b>	

Revised Customer Rate Change	6.09%	= \$33,719 ÷ 553,622
Less Proposed Customer Rate Change	6.15% <sup>9</sup>	
<b>Impact Customer Rate Change Impact</b>	<b>(0.06)%</b>	

<sup>1</sup> Revenue requirement from final rates, Exhibit 10.

<sup>2</sup> 2010 Forecast Native Peak, *Volume 1, Section 5.2.2, The Forecast*, page 5-5, Table 5-4.

<sup>3</sup> RSA Impact equals 2010 proposed total energy sales of 5,354.9 GWh times 2% times the July 1, 2008 RSA factor \$0.00761.

<sup>4</sup> MTA factor of 1.02359 effective July 1, 2008.

<sup>5</sup> Total Existing Revenue from Rates including RSA and MTA, Exhibit 10.

<sup>6</sup> Total Price Elasticity Effect, Exhibit 10.

<sup>7</sup> Revenue from existing base rates less price elasticity effects, Exhibit 10.

<sup>8</sup> Proposed Increase in Total Revenue from Rates including RSA and MTA, Exhibit 10.

<sup>9</sup> The proposed rate increase shown in Exhibit 10 rounded to two decimal points.