

1 Q. (GRA, Volume II, Exhibit 4 – Corner Brook Pulp & Paper Generation Credit, page  
2 15/16)

3 What would be the savings to CBPP, the ICs, NP and Rural Customers resulting from  
4 the change in CBPP generation if the RSP were abandoned?

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7 A. If the RSP were abandoned, the savings directly to CBPP would still be realized  
8 through the improved efficiency of the customer's generation and reduced firm  
9 energy costs, in addition to the reduction in non-firm energy costs. As indicated in  
10 Table 8 on page 15 of the Exhibit, this is estimated to be \$4.04 million since the  
11 implementation of the pilot agreement on April 30, 2009. Assuming that there was  
12 no other mechanism and the RSP were abandoned, the additional savings across  
13 the rate classes through the RSP would result in a positive impact on Hydro's net  
14 income.