Q. **Reference: Exhibit 4 page 3 lines 4-8.**
Please provide all calculations in support of the CBPP Generation Credit COS benefit and the allocation to specific customer classes.

A. In addition to the significant benefit for the Industrial Customer, CBPP, there are potential benefits to all customers on the Island Interconnected System resulting from the load reduction and reduced Cost of Service due to the more efficient use of CBPP's generation. The supporting calculations for the COS benefit outlined in Exhibit 4, page 3, lines 4-8, are more fully explained in the following table. This is an extension of Table 7 on page 13 of the Exhibit. It should be noted that the loss factor in this table is changed to 3.36% (from 3.6% in the Exhibit) as this reflects the average system loss factor used in the GRA.

CBPP Generation Credit
Load Reduction Impacts

	Based on 2013 Load	Column 1	Column 2	Column 3	
		Existing (MWh Required)	**Energy Adjustment[(1)]**	**Revised (MWh Required)**	
1	Newfoundland Power	5,594,300		5,594,300	2013 Load Forecast for NP
2.	Industrial - Firm[(1)]	408,400	(3,600)	404,800	2013 Load Forecast for ICs net of the load reduction CBPP due to more efficient use of its generation
3	Industrial - Non-Firm	-		-	
4	Rural	447,300		447,300	2013 Load Forecast for Hydro Rural
5	Losses	230,800	(121)	230,679	2013 System Loss Forecast reduced by 3.36% due to less load requirements by CBPP (line 1)
6	Total	6,680,800	(3,721)	6,677,079	
		Existing Costs ($000)	**Cost Adjustment[(2)]**	**Revised Costs ($000)**	
7.	Estimated Energy Costs	308,208	(661)	307,547	A reduction in the overall cost of energy in the COS due to reduced Holyrood costs
	Cost Allocation				
8.	Newfoundland Power	267,319	(424)	266,895	NP allocation (columns 1 and 3) based on its percentage of overall load with prorated share of losses
9.	Industrial - Firm	19,515	(203)	19,312	IC allocation (columns 1 and 3) based on its percentage of overall load with prorated share of losses
10.	Industrial - Non-Firm	-	-	-	
11.	Rural	21,374	(34)	21,340	Hydro Rural allocation (columns 1 and 3) based on its percentage of overall load with prorated share of losses
12.	Total	308,208	(661)	307,547	

Note 1: Energy benefit of 3.60 GWh plus losses of 3.36%

Note 2: Holyrood Costs Savings (3.60 GWh @ 3.36% losses, 612 kWh/bbl, $108.74/bbl)