

1 Q. **Reference: Exhibit 4 page 12 – section 3.3.3.**

2 Please confirm the \$0.248 million lower revenues (based on implementation of the
3 CBPP revised contract) is solely based on the loss of Hydro's ability to collect the
4 10% "administration fee".

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7 A. The the \$0.248 million lower revenues (based on implementation of the CBPP
8 revised contract) is estimated solely based on the loss of Hydro's ability to collect
9 the 10% administration fee on non-firm power purchases. The table on the
10 following page provides the calculations to support this estimate of lower revenues
11 since the implementation of the pilot agreement.

Hydro Revenue Impact

	Year(s)			
	2009-2011⁽²⁾	2012	2013	Period Total
1. Reduction in non-firm energy usage (GWh) ⁽¹⁾	9.51	3.56	3.56	16.63
2. Holyrood Fuel Conversion Rate (kWh/bbl) ⁽³⁾	630	630	612	
3. Average Fuel Price (\$/bbl) ⁽⁴⁾	79.31	115.56	108.74	
4. Holyrood non-firm energy rate (\$/kWh) ⁽⁵⁾	\$ 0.1259	\$ 0.1834	\$ 0.1777	
5. Avoided Non Firm Energy Costs (\$000) ⁽⁶⁾	\$ 1,197	\$ 654	\$ 633	\$ 2,484
6. 10% Administration fee (\$000) ⁽⁷⁾	\$ 120	\$ 65	\$ 63	\$ 248

- Notes:
1. Based on average CBPP non firm energy use for the five years prior to the pilot agreement (includes 3% losses).
 2. The pilot agreement commenced on April 30, 2009.
 3. 2007 TY efficiency for 2009-2012. Proposed 2013 TY efficiency for 2013.
 4. Average Holyrood consumption price for the year (or period).
 5. Line 3/Line 4.
 6. Line 4 x Line 1.
 7. Hydro lost revenues