Q. **Reference: Introduction Evidence**

Please provide the impact on the 2013 Test Year revenue requirement of an adjustment to reflect the current forecast 2014 Hydraulic Production forecast. In the response, provide supporting computations. (Introduction Evidence, page 1.2, line 8)

A. The table below provides the estimated impact on the 2013 Test Year revenue requirement of an adjustment to reflect the current forecast 2014 Hydraulic Production forecast.

| Line No | | Scenario: 2013 Test Year | 2013 Test Year Using 2014 Hydraulic Assumption | Difference | |
|---|---|---|---|---|---|
| 1 | **Total Supply Requirement (GWh)** | 6,680.8 | 6,680.8 | - | |
| 2 | **Hydraulic Production (GWh)** | 4,533.5 | 4,581.1 | 47.6 | |
| 3 | **Standby (GWh)** | 2.76 | 2.76 | - | |
| 4 | **Power Purchases (GWh)** | 1,017.2 | 1,017.2 | - | |
| 5 | **Holyrood (GWh)** | 1,127.4 | 1,079.7 | (47.6) | |
| 6 | **Total Supply (GWh)** | 6,680.8 | 6,680.8 | - | Lines 2 to 5 |
| 7 | **Holyrood Conversion Factor (kWh/bbl)**[1] | 612.0 | 609.0 | | |
| 8 | **Holyrood Fuel Consumption (bbls)** | 1,842,112 | 1,772,906 | (69,206) | Line 5 / Line 7 x 1,000,000 |
| 9 | **Average Holyrood Consumption Price ($/bbl)** | 108.74 | 108.74 | | 2013 Test Year |
| 10 | **Total No. 6 Fuel Costs ($)** | 200,314,497 | 192,785,798 | (7,528,699) | Line 8x Line 9 |

[1] With a higher hydraulic generation assumption resulting in lower Holyrood requirements, the average loading on the Holyrood units becomes lower for the same hourly operating requirements. This results in a deterioration of the fuel conversion rate.

It should be noted that the 2013 Test Year fuel price assumptions were used in each scenario for the purpose of this response, however a change in the consumption pattern and the number or timing of No. 6 fuel oil shipments required would cause the average consumption price to change, resulting in a somewhat different outcome.