

- Q. In the InterGroup Consultants Ltd. Report on page 54, Section 8.0 Conservation Demand Management (CDM) Deferred Treatment, examples of the net effect of a customer undertaking CDM are presented. Please provide all calculations and workpapers used to develop the values for customer savings, credits to the RSP, reduced revenues, etc. shown here.
- A. Please see Table 1 below for the calculations used to develop the values referenced above.

**Table 1: Savings for IC and NP+Rural from each kW.h CDM**

| Line No    |                                      | Cents/kW.h for 1 kW.h saved energy |               |        |
|------------|--------------------------------------|------------------------------------|---------------|--------|
|            |                                      |                                    | IC CDM        | NP CDM |
| 1          | Holyrood Incremental Savings         | ¢/kW.h                             | -17.77        | -17.77 |
| 2          | Lost Revenue                         | ¢/kW.h                             | -4.78         | -10.40 |
| 3=1-2      | Initial Impact on Hydro              | ¢/kW.h                             | -12.99        | -7.37  |
| 4=1-2      | Adjustment through RSP               | ¢/kW.h                             | -12.99        | -7.37  |
| 5=3-4      | Impact on Hydro                      | ¢/kW.h                             | 0.00          | 0.00   |
| <b>6</b>   | <b>Impact on IC</b>                  | <b>Load ratio</b>                  | <b>6.33%</b>  |        |
| 7=4*6      | Credit through RSP                   | ¢/kW.h                             | 0.82          |        |
| 8          | Assumed IC load in question          | Load ratio                         | 25%           |        |
| 9=7*8      | Credit through RSP to IC in question | ¢/kW.h                             | 0.21          |        |
| 10=-2      | Saved bills                          | ¢/kW.h                             | 4.78          |        |
| 11=9+10    | Non-Test Year Benefit                | ¢/kW.h                             | 4.99          |        |
| 12=(-1)-11 | Holyrood Savings to NP + Rural       | ¢/kW.h                             | 12.78         |        |
| 13=12/(-1) | Holyrood Savings to NP + Rural       | %                                  | 71.9%         |        |
| <b>14</b>  | <b>Impact on NP+Rural</b>            | <b>Load ratio</b>                  | <b>93.67%</b> |        |
| 15=-2      | Saved bills                          | ¢/kW.h                             | 10.40         |        |
| 16=4*14    | Credit through RSP                   | ¢/kW.h                             | 6.90          |        |
| 17=15+16   | Non-Test Year Benefit                | ¢/kW.h                             | 17.30         |        |
| 18=(-1)-17 | Holyrood Savings to IC               | ¢/kW.h                             | 0.47          |        |
| 19=18/(-1) | Holyrood Savings to IC               |                                    | 2.6%          |        |