Q. (GRA, Volume II, Exhibit 4 – Corner Brook Pulp & Paper Generation Credit, page 15/16)
It is understood that CBPP will receive benefits through reduced bills, reductions in RSP payments through the fuel component and reductions in RSP payments through the load variation component. What are the projected annual savings to CBPP for each of these three components for each of the next five years in total Dollars and average rates owing to the change in operation of its generation?

A. The following table indicates the projected annual savings to CBPP for each of these three components for the period of 2014-2017 in total dollars and average rates, owing to the change in operation of its generation. As indicated in Hydro's response to NP-NLH-110, the electricity rate impacts beyond 2017, in particular the marginal cost of demand and energy delivered from Muskrat Falls are not available at this time.

		Costs With Pilot Agreement				Costs Without Pilot Agreement			
		2014	**2015**	**2016**	**2017**	**2014**	**2015**	**2016**	**2017**
1	Forecast firm energy requirements (GWh)[1]	70.60	70.60	70.60	70.60	70.60	70.60	70.60	70.60
2	Less firm energy benefit (GWh)[2]	(3.60)	(3.60)	(3.60)	(3.60)	-	-	-	-
3	Plus non-firm purchases converted to firm (GWh)[3]	3.46	3.46	3.46	3.46	-	-	-	-
4	Revised Firm Energy Requirements (GWh)	70.46	70.46	70.46	70.46	70.60	70.60	70.60	70.60
5	Firm Energy Rates ($/kwh)[4]	$0.04782	$0.04782	$0.04782	$0.04782	$0.04782	$0.04782	$0.04782	$0.04782
6	Firm Energy Costs ($000)	$ 3,369.4	$ 3,369.4	$ 3,369.4	$ 3,369.4	$ 3,376.1	$ 3,376.1	$ 3,376.1	$ 3,376.1
7	Demand Requirements (MW)[1]	216	192	180	180	216	192	180	180
8	Demand Rates ($/kW)[4]	$ 9.13	$ 9.13	$ 9.13	$ 9.13	$ 9.13	$ 9.13	$ 9.13	$ 9.13
9	Demand Costs ($000)	$ 1,972.1	$ 1,753.0	$ 1,643.4	$ 1,643.4	$ 1,972.1	$ 1,753.0	$ 1,643.4	$ 1,643.4
10	Non firm energy requirements (GWh)[5]	-	-	-	-	3.46	3.46	3.46	3.46
11	Non firm energy rates ($/kWh)[6]	$ 0.1890	$ 0.1768	$ 0.1822	$ 0.1859	$ 0.1890	$ 0.1768	$ 0.1822	$ 0.1859
12	Non firm energy costs ($000)	$ -	$ -	$ -	$ -	$ 653.9	$ 611.7	$ 630.4	$ 643.2
13	**Total Bills (line 6+ line 9+line12) ($000)**	$ 5,342	$ 5,122	$ 5,013	$ 5,013	$ 6,002	$ 5,741	$ 5,650	$ 5,663
14	RSP Savings - Fuel Variation Component ($000)[7]	2	3	2	2	-	-	-	-
15	Corner Brook Pulp and Paper Allocation (%)[8]	1%	1%	1%	1%	1%	1%	1%	1%
16	Corner Brook Pulp and Paper Allocation ($000)	-	-	-	-	-	-	-	-
17	RSP Savings - Load Variation Component ($000)[7]	(18)	(18)	(18)	(18)	-	-	-	-
18	Corner Brook Pulp and Paper Allocation (%)[8]	1%	1%	1%	1%	1%	1%	1%	1%
19	Corner Brook Pulp and Paper Allocation ($000)	(0.2)	(0.2)	(0.2)	(0.2)	-	-	-	-
20	**Total Costs (line 13+line 16+line 19) ($000)[9]**	**$ 5,341.3**	**$ 5,122.2**	**$ 5,012.6**	**$ 5,012.6**	**$ 6,002.1**	**$ 5,740.8**	**$ 5,649.9**	**$ 5,662.7**
21	**Average Energy Rate (line 20/(line 4 + line 10)) (cents/kWh)**	**7.581**	**7.270**	**7.114**	**7.114**	**8.104**	**7.752**	**7.629**	**7.646**

Notes:

1. CBPP's load forecast as per Hydro's 2014-2017 OPLF issued June, 2013
2. Load reduction possible due to improved water utilization at the DLP 60 Hz Plant
3. Energy that would have been charged at non-firm is now firm
4. Industrial Customer energy and demand rates as per Hydro's GRA
5. Based on CBPP's avearge annual non-firm energy usage five years prior to the pilot agreement.
6. Uses March 2013 long term fuel price forecast, average Holyrood usage costs, 612 kWh/bbl Holyrood conversion rate, 10% administration fee and 3.36% average system loss
7. Refer to Tables 5 and 6 of Exibit 4 for methodology in calculating RSP savings
8. Estimated, based on CBPP's percentage of total customer load
9. Does not include specifically assigned charges