

1    Q.    Per Exhibit 13, please confirm industrial firm loads pay \$6.242 million in demand-  
2    related costs for Hydro's thermal and hydraulic generation of 1507.5 MW (per IC-  
3    NLH-16 Attachment 1), or an average of \$4.14 per installed kW.

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6    A.    IC-NLH-016, Attachment 1, Page 15 of 43 shows that the 1,507.5 MW of generation  
7    includes Hydro's hydraulic, thermal, combustion turbine and diesel facilities. The IC  
8    allocation of production demand costs, and the average cost per installed kW is  
9    shown in the table below.

| Line No | Description  | Production Demand | Reference                                 |
|---------|--|-------------------|---|
| 1       | Total Revenue Requirement (\$)                                       | 117,697,000       | Exhibit 13, Schedule 2.1A, Col 3, Line 23 |
| 2       | IC Allocation Ratio  | 0.053             | Exhibit 13, Schedule 3.1A, Col 3, Line 16 |
| 3       | IC Allocation (\$)   | 6,237,941         | Line 1 x Line 2                           |
| 4       | Total Hydro Installed Island Interconnected Generation Capacity (kW) | 1,507,500         | IC-NLH-16, Attachment 1, Page 15 of 43    |
| 5       | Average Production Demand Cost per kW (\$)                           | 4.14              | Line 3 / Line 4                           |