

1 Q. Reference: Hydro's Evidence - Capacity Assistance Procurement Process and

2 Considerations, Section 3.0, Page 3

3 Please extend the table provided on page 3 to include details of the proposed

4 Capacity Assistance Agreement between Hydro and Corner Brook Pulp and Paper.

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7 A. The requested extension of the table is provided below:

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Terms	Interruptible B	CBPP Winter 2013/14	Proposed CBPP Capacity Assistance Agreement
Interruptible Capacity	43 MW	20 MW / 40 MW / 60 MW	20 / 40 / 60 MW
Rate Structure	<u>Fixed</u> \$324,300 for each month of the winter (\$7.54 per kW per month) <u>Variable</u> 90% of the cost of generating the energy interrupted (fuel only – calculated as average price per barrel of No. 2 diesel fuel in Island)	<u>Fixed</u> \$63,000 per month (\$1.05 per kW capacity based on 60 MW) <u>Variable</u> 20 MW = \$40,000 (\$0.50/kWh) 40 MW = \$100,000 (\$0.625/kWh) 60 MW = \$180,000 (\$0.75/kWh)	<u>Fixed</u> \$1,680,000 per winter season (Based on 60,000 kW times \$28 per kW) <u>Variable</u> \$0.20 per kW per hour of request
Notification Period	1 hour	15 minutes	20 minutes
Interruption Period	10 hours	4 hours	Not more than 6 hours
Max # Curtailments	1 per day 25 curtailments per year	n/a	2 per day 100 hours per winter
Penalties	Abitibi had to make a capacity adjustment payment to Hydro for the amount of capacity they failed to provide times \$3/kW on the first failure, increasing by \$1 each subsequent time to a maximum of \$7/kW.	Loss of capacity payment for month	50% reduction in fixed payment for first failure; additional 25% for each additional failure.