Q. Please compare the results obtained in PUB-NLH-17 to those obtained in Vale-NLH-4.

A. Please see the attached schedules. The difference between the class allocation to NP and the IC using the proposed RSP methodology compared with the Cost of Service is a result of the allocation of the other Test Year energy costs. Using the Cost of Service study, the assumed load changes for each scenario reallocate these other Test Year costs, while the RSP does not.

Comparison of PUB-NLH-17 to V-NLH-4
Scenario (i): Current forecast load for both NP and IC for 2014 to 2016

Line No		A	B	C	D	E	F	G	H
					Existing Methodology		Proposed Methodology		Cost of Service
		Sales Variance (kWh) PUB-NLH-17 Attachment 1, Col B	Firm Energy Rate ($/kWh)	Increase (Decrease) in Revenue ($) Col A x Col B	Load Variation ($) PUB-NLH-17 Attachment 1, Col F	Total Increase (Decrease) to Customer Class ($) Col C + Col D	Load Variation ($) PUB-NLH-17 Attachment 1, Col G	Increase (Decrease) to Customer Class Before Rural Deficit ($) Col C + Col F	Increase (Decrease) in Revenue Requirement ($) V-NLH-4 Attachment 2, Col C
	2014								
1	Utility	145,900,000	0.10400	15,173,600	10,568,691	25,742,291	29,704,604	44,878,204	45,307,573
2	Industrial Customers	191,200,000	0.04782	9,143,184	24,591,744	33,734,928	3,102,833	12,246,017	13,332,197
	2015								
3	Utility	198,200,000	0.10400	20,612,800	14,357,193	34,969,993	50,478,249	71,091,049	71,739,178
4	Industrial Customers	363,900,000	0.04782	17,401,698	46,804,057	64,205,755	6,730,143	24,131,841	26,217,962
	2016								
5	Utility	264,100,000	0.10400	27,466,400	19,130,852	46,597,252	72,620,995	100,087,395	100,532,210
6	Industrial Customers	551,200,000	0.04782	26,358,384	70,894,191	97,252,575	11,895,246	38,253,630	41,821,196

Comparison of PUB-NLH-17 to V-NLH-4 **Attachment 2**

Scenario (ii): 100 GHW load reduction for IC for 2014 to 2016 and current forecast load for NP for 2014 to 2016

		A	B	C	D	E	F	G	H
					Existing Methodology		Proposed Methodology		Cost of Service
Line No		Sales Variance (kWh) PUB-NLH-17 Attachment 1, Col B	Firm Energy Rate ($/kWh)	Increase (Decrease) in Revenue ($) Col A x Col B	Load Variation ($) PUB-NLH-17 Attachment 2, Col F	Total Increase (Decrease) to Customer Class ($) Col C + Col D	Load Variation ($) PUB-NLH-17 Attachment 2, Col G	Increase (Decrease) to Customer Class Before Rural Deficit ($) Col C + Col F	Increase (Decrease) in Revenue Requirement ($) V-NLH-4 Attachment 3, Col C
	2014								
1	Utility	145,900,000	0.10400	15,173,600	10,568,691	25,742,291	19,119,976	34,293,576	34,384,310
2	Industrial Customers	91,200,000	0.04782	4,361,184	11,729,953	16,091,137	1,664,113	6,025,297	6,825,143
	2015								
3	Utility	198,200,000	0.10400	20,612,800	14,357,193	34,969,993	40,439,208	61,052,008	61,487,800
4	Industrial Customers	263,900,000	0.04782	12,619,698	33,942,266	46,561,964	4,693,531	17,313,229	18,978,555
	2016								
5	Utility	264,100,000	0.10400	27,466,400	19,130,852	46,597,252	63,114,765	90,581,165	90,953,769
6	Industrial Customers	451,200,000	0.04782	21,576,384	58,032,400	79,608,784	9,260,797	30,837,181	33,847,457

Comparison of PUB-NLH-17 to V-NLH-4
Scenario (iii): 100 GHW load reduction for NP for 2014 to 2016 and current forecast load for IC for 2014 to 2016

		A	B	C	D	E	F	G	H
					Existing Methodology		Proposed Methodology		Cost of Service
Line No		Sales Variance (kWh) PUB-NLH-17 Attachment 1, Col B	Firm Energy Rate ($/kWh)	Increase (Decrease) in Revenue ($) Col A x Col B	Load Variation ($) PUB-NLH-17 Attachment 3, Col F	Total Increase (Decrease) to Customer Class ($) Col C + Col D	Load Variation ($) PUB-NLH-17 Attachment 3, Col G	Increase (Decrease) to Customer Class Before Rural Deficit ($) Col C + Col F	Increase (Decrease) in Revenue Requirement ($) V-NLH-4 Attachment 4, Col C
	2014								
1	Utility	45,900,000	0.10400	4,773,600	3,324,900	8,098,500	23,520,122	28,293,722	29,074,529
2	Industrial Customers	191,200,000	0.04782	9,143,184	24,591,744	33,734,928	2,500,384	11,643,568	12,134,924
	2015								
3	Utility	98,200,000	0.10400	10,212,800	7,113,403	17,326,203	44,363,601	54,576,401	55,708,373
4	Industrial Customers	363,900,000	0.04782	17,401,698	46,804,057	64,205,755	6,018,798	23,420,496	24,757,982
	2016								
5	Utility	164,100,000	0.10400	17,066,400	11,887,061	28,953,461	66,554,166	83,620,566	84,681,112
6	Industrial Customers	551,200,000	0.04782	26,358,384	70,894,191	97,252,575	11,090,820	37,449,204	40,120,114

Comparison of PUB-NLH-17 to V-NLH-4
Scenario (iv): 100 GHW load increase for IC for 2014 to 2016 and current forecast load for NP for 2014 to 2016

			A	B	C	D	E	F	G	H
						Existing Methodology		Proposed Methodology		Cost of Service
Line No			Sales Variance (kWh) PUB-NLH-17 Attachment 1, Col B	Firm Energy Rate ($/kWh)	Increase (Decrease) in Revenue ($) Col A x Col B	Load Variation ($) PUB-NLH-17 Attachment 4, Col F	Total Increase (Decrease) to Customer Class ($) Col C + Col D	Load Variation ($) PUB-NLH-17 Attachment 4, Col G	Increase (Decrease) to Customer Class Before Rural Deficit ($) Col C + Col F	Increase (Decrease) in Revenue Requirement ($) V-NLH-4 Attachment 5, Col C
	2014									
1		Utility	145,900,000	0.10400	15,173,600	10,568,691	25,742,291	39,982,186	55,155,786	55,876,485
2		Industrial Customers	291,200,000	0.04782	13,925,184	37,453,535	51,378,719	4,872,920	18,798,104	20,221,214
	2015									
3		Utility	198,200,000	0.10400	20,612,800	14,357,193	34,969,993	60,235,231	80,848,031	81,666,317
4		Industrial Customers	463,900,000	0.04782	22,183,698	59,665,848	81,849,546	9,070,901	31,254,599	33,806,646
	2016									
5		Utility	264,100,000	0.10400	27,466,400	19,130,852	46,597,252	81,868,987	109,335,387	109,815,836
6		Industrial Customers	651,200,000	0.04782	31,140,384	83,755,982	114,896,366	14,807,521	45,947,905	50,112,260

Comparison of PUB-NLH-17 to V-NLH-4
Scenario (v): 100 GHW load increase for NP for 2014 to 2016 and current forecast load for IC for 2014 to 2016

Line No		A	B	C	D	E	F	G	H
					Existing Methodology		Proposed Methodology		Cost of Service
		Sales Variance (kWh) PUB-NLH-17 Attachment 1, Col B	Firm Energy Rate ($/kWh)	Increase (Decrease) in Revenue ($) Col A x Col B	Load Variation ($) PUB-NLH-17 Attachment 5, Col F	Total Increase (Decrease) to Customer Class ($) Col C + Col D	Load Variation ($) PUB-NLH-17 Attachment 5, Col G	Increase (Decrease) to Customer Class Before Rural Deficit ($) Col C + Col F	Increase (Decrease) in Revenue Requirement ($) V-NLH-4 Attachment 6, Col C
	2014								
1	Utility	245,900,000	0.10400	25,573,600	17,812,482	43,386,082	35,919,814	61,493,414	61,605,245
2	Industrial Customers	191,200,000	0.04782	9,143,184	24,591,744	33,734,928	3,687,805	12,830,989	14,492,454
	2015								
3	Utility	298,200,000	0.10400	31,012,800	21,600,984	52,613,784	56,624,621	87,637,421	87,838,256
4	Industrial Customers	363,900,000	0.04782	17,401,698	46,804,057	64,205,755	7,421,501	24,823,199	27,634,707
	2016								
5	Utility	364,100,000	0.10400	37,866,400	26,374,642	64,241,042	78,719,795	116,586,195	116,454,113
6	Industrial Customers	551,200,000	0.04782	26,358,384	70,894,191	97,252,575	12,677,819	39,036,203	43,473,983

Scenario (vi): 100 GHW load increase for both NP and IC for 2014 to 2016

		A	B	C	D	E	F	G	H
					Existing Methodology		Proposed Methodology		Cost of Service
Line No		Sales Variance (kWh) PUB-NLH-17 Attachment 1, Col B	Firm Energy Rate ($/kWh)	Increase (Decrease) in Revenue ($) Col A x Col B	Load Variation ($) PUB-NLH-17 Attachment 6, Col F	Total Increase (Decrease) to Customer Class ($) Col C + Col D	Load Variation ($) PUB-NLH-17 Attachment 6, Col G	Increase (Decrease) to Customer Class Before Rural Deficit ($) Col C + Col F	Increase (Decrease) in Revenue Requirement ($) V-NLH-4 Attachment 7, Col C
	2014								
1	Utility	245,900,000	0.10400	25,573,600	17,812,482	43,386,082	46,145,484	71,719,084	72,035,517
2	Industrial Customers	291,200,000	0.04782	13,925,184	37,453,535	51,378,719	5,527,787	19,452,971	21,546,537
	2015								
3	Utility	298,200,000	0.10400	31,012,800	21,600,984	52,613,784	66,339,467	97,352,267	97,642,734
4	Industrial Customers	463,900,000	0.04782	22,183,698	59,665,848	81,849,546	9,820,605	32,004,303	35,370,047
	2016								
5	Utility	364,100,000	0.10400	37,866,400	26,374,642	64,241,042	87,934,487	125,800,887	125,630,235
6	Industrial Customers	651,200,000	0.04782	31,140,384	83,755,982	114,896,366	15,637,651	46,778,035	51,894,155

Scenario (vii): 100 GHW load reduction for both NP and IC for 2014 to 2016

		A	B	C	D	E	F	G	H
					Existing Methodology		Proposed Methodology		Cost of Service
Line No		Sales Variance (kWh) PUB-NLH-17 Attachment 1, Col B	Firm Energy Rate ($/kWh)	Increase (Decrease) in Revenue ($) Col A x Col B	Load Variation ($) PUB-NLH-17 Attachment 7, Col F	Total Increase (Decrease) to Customer Class ($) Col C + Col D	Load Variation ($) PUB-NLH-17 Attachment 7, Col G	Increase (Decrease) to Customer Class Before Rural Deficit ($) Col C + Col F	Increase (Decrease) in Revenue Requirement ($) V-NLH-4 Attachment 8, Col C
	2014								
1	Utility	45,900,000	0.10400	4,773,600	3,324,900	8,098,500	12,876,243	17,649,843	17,999,806
2	Industrial Customers	91,200,000	0.04782	4,361,184	11,729,953	16,091,137	1,140,557	5,501,741	5,808,199
	2015								
3	Utility	98,200,000	0.10400	10,212,800	7,113,403	17,326,203	34,276,281	44,489,081	45,323,373
4	Industrial Customers	263,900,000	0.04782	12,619,698	33,942,266	46,561,964	4,048,124	16,667,822	17,678,338
	2016								
5	Utility	164,100,000	0.10400	17,066,400	11,887,061	28,953,461	57,009,547	74,075,947	74,985,910
6	Industrial Customers	451,200,000	0.04782	21,576,384	58,032,400	79,608,784	8,510,247	30,086,631	32,286,601