

Volume 1, Section 3 – Finance

Q. (Exhibit 11) Please provide the supporting calculation for the price elasticity impacts shown in column D.

A. Table 1 shows the supporting calculation for the price elasticity impacts shown in Exhibit 11, column D.

The calculation is based on applying existing rates to the 2008 test year sales forecast before and after adjusting for elasticity impacts.

Table 1
Calculation of Price Elasticity
Existing Rates
(\$000s)

	Existing Rates¹	Existing Rates Adjusted for Elasticity²	Price Elasticity
Revenue from Rates	478,535	475,929	2,606
RSA Charges	22,741	22,593	148
MTA Charges	11,935	11,868	67
Total	513,211	510,390	2,821

¹ Revenue from existing rates from Exhibit 11. RSA based on the RSA factor (0.444¢/kWh) effective January 1, 2007. MTA based on MTA Factor (1.02393) effective July 1, 2006.

² Determined by applying existing rates to the 2008 test year sales forecast adjusted for the elasticity impacts. RSA based on the RSA factor (0.444¢/kWh) effective January 1, 2007. MTA based on MTA Factor (1.02393) effective July 1, 2006.