

1 Q. How did Hydro determine the amount of additional fixed cost to pay for the revised
2 capacity assistance agreement?

3

4

5 A. The 2014 Agreement has a total fixed payment for 60 MW of capacity assistance of
6 \$1,680,000 over 4 months for an annual cost of \$28 per kW. The Revised Capacity
7 Assistance Agreement has a total fixed payment for 90 MW of capacity assistance
8 of \$2,565,000 over 6 months for an annual cost of \$28.50 per kW. The increase in
9 the fixed payment was a negotiated amount arrived at between Hydro and CBPP for
10 the options being added to the Revised Capacity Assistance Agreement that were
11 not present in the 2014 Agreement, all of which provide operational benefit to
12 Hydro and include increased availability, improved response time, and a longer
13 term, all as described in Schedule B, Page 8 to the Application.