

1 Q. Provide an illustration of the costs for a single year that would be charged to the
 2 Industrial RSP Plan and the Retail RSP Plan through the current load variation
 3 component if Vale Inco requires its full annual operational load requirements prior
 4 to Hydro’s next general rate application (i.e., assume the Vale Inco energy
 5 requirement is the only load variation for purpose of the computations). In this
 6 response, please show and explain the basis of the calculations.

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 9 A. If Vale Inco were to require its full annual operational load requirement prior to
 10 Hydro’s next general rate application, there would be no impact to the Retail RSP
 11 Plan through the current load variation. The impact to the Industrial RSP Plan
 12 through the current load variation is as shown in the table below.

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Impact on Load Variation Due to Vale Inco		
Vale Inco 2013 Load Forecast	573,000,000	kWh
2007 Cost of Service No.6 Fuel Price	55.47	\$/barrel
Holyrood Efficiency 2007 Cost of Service	630	kWh/barrel
Industrial Firm Energy Rate	0.03676	\$/kWh
Industrial Load Variation	<u>\$ 29,387,806</u>	Line 2 X ((Line 3/Line4)-Line5)