Q. (GRA, Volume II, Exhibit 4 – Corner Brook Pulp & Paper Generation Credit, pages 12 and 13)
What are the projected annual savings going forward to CBPP, the ICs and NP resulting from the change in operation of CBPP generation based on the 2013 cost of service both in total Dollars and average rates in cents/kWh?

A. The potential benefit of the change in operation of the CBPP generation has not been included in the 2015 Cost of Service as this is a pilot arrangement which still requires approval from the Board before being permanently implemented. The potential annual savings through the 2015 Cost of Service, which could be realized through increased efficiency of the CBPP generation, is illustrated in Table 7 on page 13 of the Exhibit. The table on the following page provides a summary of the benefit in total dollars and average rates in cents/kWh across the rate classes.
[ ]

CBPP Generation Credit
Load Reduction Impacts

Based on 2015 Load

	Existing (MWh Required)	Load Adjustment[1]	Revised (MWh Required)
Newfoundland Power	5,924,100		5,924,100
Industrial - Firm	621,400	(3,600)	617,800
Industrial - Non-Firm	-		-
Rural	463,900		463,900
Losses	229,500	(125)	229,375
Total	7,238,900	(3,725)	7,235,175

	Existing COS Costs ($000)	Cost Savings[2]	Revised COS Costs ($000)
Estimated Energy Costs	361,749	(573)	361,176

Cost Allocation	Dollars ($$$)	Rate[3] (cents/kWh)	Savings	Dollars ($$$)	Rate (cents/kWh)
Newfoundland Power	305,738	5.161	(327)	305,410	5.155
Industrial - Firm	32,070	5.161	(220)	31,850	5.155
Industrial - Non-Firm	-	-	-	-	-
Rural	23,941	5.161	(26)	23,916	5.155
Total	361,749		(573)	361,176	

Note 1: Energy benefit of 3.60 GWh plus losses of 3.47%

Note 2: Holyrood Costs Savings (3.60 GWh @ 3.47% losses, 607 kWh/bbl, $93.32/bbl)

Note 3: The rate is calculated by dividing the customer allocation ($) by the customers load (kWh)