

1 Q. **2013 General Rate Application, Cost of Service**

2 Page 4.6, Section 4 - It is stated that the loss factor used in the IC's non-firm energy
3 charge has been updated from 2.68% to 3.36%. Provide all supporting documents,
4 workpapers and calculations showing the development of the current loss factor
5 (2.68%) and the proposed loss factor (3.36%).
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8 A. The current loss factor of 2.68% is calculated as follows:

Island Interconnected System				
5-year Average Losses				
2001-2005				
	Net Generation (GWh)	Distribution (GWh)	System Losses (GWh)	System Losses (%)
2001	6,222.7	6,048.7	174.1	2.80%
2002	6,531.2	6,363.7	167.5	2.56%
2003	6,567.3	6,391.2	176.1	2.68%
2004	6,783.7	6,604.8	178.9	2.64%
2005	6,514.5	6,337.5	177.1	2.72%
5-year	32,619.4	31,745.8	873.6	2.68%

9 [] The proposed loss factor in Hydro's Amended Application is 3.47%, and is
10 calculated in the following table:

Island Interconnected System				
5-year Average Losses				
2009-2013				
	Net Generation (kWh)	Distribution (GWh)	System Losses (kWh)	System Losses (%)
2009	6,121.5	5,926.0	195.5	3.19%
2010	6,014.7	5,804.4	210.3	3.50%
2011	6,316.9	6,096.3	220.6	3.49%
2012	6,440.7	6,214.6	226.1	3.51%
2013	6,657.6	6,415.0	242.6	3.64%
5-year	31,551.5	30,456.2	1,095.2	3.47%