

Undertaking No. 1.

We have reviewed the information in the revision to Table 6.2 of the April 25 report, as filed on April 30, and the corrected information from that table is in the revised table below, identified by bold type and shading.

Table 6.2: Economic Analysis of Alternative Case

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Prices in \$/MWh													
HQP Price - 350 MW	\$50.07	\$51.07	\$52.09	\$53.13	\$54.19	\$55.28	\$56.38	\$57.51	\$58.66	\$59.83	\$61.03	\$62.25	\$63.50
HQP Price - 250 MW	\$53.86	\$54.94	\$56.04	\$57.16	\$58.30	\$59.47	\$60.65	\$61.87	\$63.11	\$64.37	\$65.65	\$66.97	\$68.31
NYISO Sale Price	\$76.40	\$74.82	\$69.70	\$67.49	\$66.97	\$66.80	\$67.42	\$68.39	\$69.65				
NYISO Purchase Price										\$83.92	\$85.65	\$87.47	\$89.59
Scenario With Deferrals													
<u>Volumes in TWh</u>													
HQD Surplus (Deficit) - Original	(2.7)	(0.6)	(2.9)	(2.8)	(0.4)	1.2	1.7	2.4	3.6	4.8	6.0	7.2	8.4
Excluding Additional 500 MW					(2.3)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)
HQD Surplus (Deficit)	(2.7)	(0.6)	(2.9)	(2.8)	(2.7)	(3.3)	(2.8)	(2.1)	(0.9)	0.3	1.5	2.7	3.9
Deferrals - 350-MW Contract	2.7	0.6	2.9	2.8	2.7	3.1	2.8	2.1	0.9				
Deferrals - 250-MW Contract						0.3							
Purchases - 350-MW Contract	0.3	2.5	0.1	0.3	0.4		0.3	1.0	2.2	3.1	3.1	3.1	3.1
Purchases - 250-MW Contract	2.2	2.2	2.2	2.2	2.2	1.9	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Returns - 350-MW Contract										0.3	1.5	2.7	3.5
Returns - 250-MW Contract													0.3
Cumulative Deferrals - 350-MW Contract	2.7	3.3	6.2	9.0	11.7	14.8	17.6	19.7	20.6	20.3	18.8	16.1	12.6
Cumulative Deferrals - 250-MW Contract						0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
<u>Costs (Revenues) in \$ million</u>													
Purchases from HQP	\$134	\$247	\$130	\$140	\$148	\$115	\$147	\$191	\$265	\$342	\$422	\$506	\$567
Disposition of Unused Deferrals													(\$31)
Transactions w/ NYISO													
TOTAL COST	\$134	\$247	\$130	\$140	\$148	\$115	\$147	\$191	\$265	\$342	\$422	\$506	\$536
Scenario Without Deferrals													
<u>Volumes in TWh</u>													
Purchases - 350-MW Contract	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1
Purchases - 250-MW Contract	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Sales to NYISO	2.7	0.6	2.9	2.8	2.7	3.3	2.8	2.1	0.9	0.0	0.0	0.0	0.0
Purchased from NYISO	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	1.5	2.7	3.8
<u>Costs (Revenues) in \$ million</u>													
Purchases from HQP	\$271	\$277	\$282	\$288	\$294	\$300	\$306	\$312	\$318	\$324	\$331	\$338	\$344
Transactions with NYISO	(\$209)	(\$44)	(\$204)	(\$189)	(\$181)	(\$222)	(\$190)	(\$143)	(\$63)	\$25	\$128	\$236	\$337
TOTAL COST	\$62	\$233	\$79	\$99	\$113	\$78	\$116	\$169	\$255	\$350	\$459	\$574	\$681
Net Cost of Deferral in \$ million	\$72	\$14	\$51	\$40	\$34	\$37	\$31	\$23	\$10	(\$7)	(\$37)	(\$68)	(\$145)
Net Present Value in \$ million	\$230												

In addition, the text in the second paragraph of pg. 18 should be updated to read “a net benefit of the Resale Case of \$230 million...”

For consistency with the corrected NYISO prices used in the revised Tables 5.1 and 6.2, as now corrected, I also include below a revision of Table 4.2.

Table 4.2: Sales and Purchase Prices

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
HQD Sale Proceeds	\$76.40	\$74.82	\$69.70	\$67.49	-	-	-	-	-	-
HQD Purchase Prices	-	-	-	-	-	\$78.76	\$79.56	\$80.74	\$82.24	\$83.92

Undertaking No. 2.

In addition to my answer of May 1, 2008 (Transcripts pages 212-213), I would like to add the following information.

The sales amounts in our March 14 report (Table 3.5) are not the same as those used in our April 25 report (Table 4.2). The most important reason for the change is that HQD changed its forecast of surplus power, and we have consistently used HQD's forecasts.

In the March 14 report, we estimated sales of 2.2 TWh in 2008, 2.9 TWh in 2009, 1.3 TWh in 2010, and 1.7 TWh in 2011. We adjusted HQD's numbers to take into account sales and purchases in the same month. Also in that report, Becancour was assumed to operate in 2009.

In our April 25 report, we assumed (following HQD) sales or deferrals of 2.7 TWh in 2008, 0.6 TWh in 2009, 2.9 TWh in 2010, and 2.8 TWh in 2011. We did not make any adjustment to HQD's numbers. In that report, Becancour was assumed not to operate in 2009.