COMPARISON OF GROSS REVENUE CHARGE –

REGULATED HYDROELECTRIC

1.0 PURPOSE

This evidence presents period-over-period comparisons of the gross revenue charge ("GRC") for the regulated hydroelectric facilities for 2007 - 2012.

2.0 OVERVIEW

This evidence supports the approvals sought for the GRC. O. Reg. 124/02 (amended by O. Reg. 9/10, filed January 20, 2010) prescribes that the fixed price of $40/MWh is to be used for determining GRC for the regulated hydroelectric facilities. This price was in place throughout the historical period (2007 - 2009) and is expected to continue unchanged in the bridge year and test period (2010 - 2012). Exhibit F1-T4-S2 Table 1 sets out the comparison of the GRC by plant group for 2007 - 2012. The St. Lawrence Seaway Management Corporation lease costs, pertaining to DeCew water conveyance charges, have been included in the Niagara Plant Group's GRC totals.

3.0 PERIOD-OVER-PERIOD CHANGES – TEST PERIOD

2012 Plan versus 2011 Plan

The year-over-year change in GRC is due solely to changes in the production forecasts. The regulated hydroelectric production is expected to decrease from 19.4 TWh in 2011 to 19.0 TWh in 2012 (see Ex. E1-T1-S2), resulting in a decrease in the GRC from $257.1M to $252.2M.

2011 Plan versus 2010 Budget

The year-over-year change in GRC is due solely to changes in the production forecasts. The regulated hydroelectric production is forecast to be similar for 2010 and 2011, projected at 19.3 TWh and 19.4 TWh, respectively (see Ex. E1-T1-S2). GRC is estimated to be just over $257.0M for the two years.
4.0 PERIOD-OVER-PERIOD CHANGES – BRIDGE YEAR

2010 Budget versus 2009 Actual

The difference in GRC between 2009 and 2010 is due solely to year-over-year changes in production. The production forecast for 2010 (19.3 TWh) is projected to be slightly lower than the actual 2009 production of 19.4 TWh (see Ex. E1-T1-S2). GRC is expected to decrease accordingly, from $259.6M in 2009 to $257.2M in 2010.

5.0 PERIOD-OVER-PERIOD CHANGES – HISTORICAL PERIOD

2009 Actual versus 2009 Budget

The difference in GRC between the 2009 budget and the 2009 actual is due solely to differences between forecast and actual production. The production plan for 2009 was 18.5 TWh versus actual production of 19.4 TWh (see Ex. E1-T1-S2). This difference resulted in an increase in the GRC from $244.1M (budgeted) to $259.6M (actual).

2009 Actual versus 2008 Actual

The difference in GRC between 2008 and 2009 is due solely to year-over-year changes in production. Actual production increased from 19.0 TWh in 2008 to 19.4 TWh in 2009 (see Ex. E1-T1-S2). This resulted in a GRC increase from $253.5M in 2008 to $259.6M in 2009.

2008 Actual versus 2008 Budget

The change in GRC is due solely to changes between budgeted and actual 2008 production. The budgeted production for 2008 was 17.4 TWh versus actual production of 19.0 TWh (see Ex. E1-T1-S2). This difference resulted in an increase in the GRC from $228.2M (budgeted) to $253.5M (actual).

2008 Actual versus 2007 Actual

The difference in GRC between 2007 and 2008 is due solely to year-over-year changes in production. Actual production increased from 18.2 TWh in 2007 to 19.0 TWh in 2008 (see Ex. E1-T1-S2). This resulted in a GRC increase from $241.8M in 2007 to $253.5M in 2008.
2007 Actual versus 2007 Budget

The difference in GRC for 2007 between budgeted and actual is due solely to differences in forecast and actual production. The production budget for 2007 was 17.5 TWh versus actual production of 18.2 TWh (see Ex. E1-T1-S2). This difference resulted in an increase in the GRC from $228.9M (budgeted) to $241.8M (actual).