UNDERTAKING J3.2

Undertaking

To provide revenue requirement impact if Forced Loss Rate were 1.1 per cent.

Response

There is no revenue requirement impact associated with a change in Forced Loss Rate. Forced Loss Rate (“FLR”) impacts revenues and not costs.

Incremental revenue for 2011 and 2012 would be approximately $7.0M per year based on a 0.12 TWh per year increase in generation resulting from an FLR of 1.1 per cent versus the 1.5 per cent FLR target.