

Line #

TABLE 1 Allocation of 25% of program costs associated with system benefits.**COLUMN****A****B****C****D****E****F****G****H****Program Cost Recovery by Benefits**

System Benefits	25.0%	\$10,936,664
Combined Class and Participant Benefits	<u>75.0%</u>	<u>\$32,809,993</u>
Total	100.0%	\$43,746,657

Functionalization of System Benefit DSM Costs

	Factors
Generation	100%
Transmission	0%
Distribution	0%
Retail	0%

Classification of System Benefit DSM Costs

	Factors¹
Demand-related	33.49%
Energy-related	<u>66.51%</u>
Total	100.0%

Demand-related Costs**Energy-related Costs****Total****Rate Class****3 CP kW Demands ²****Demand-related****\$ Amount****MWh Energy Requirement ³****Energy-related****\$ Amount****Relative Share****Total Amount**

Residential Total ⁵	3,361,452	51.2%	\$1,875,549	4,740,434	38.8%	\$2,822,154	43.0%	\$4,697,703
Small General	161,274	2.5%	\$89,984	235,578	1.9%	\$140,248	2.1%	\$230,232
General Demand	1,320,066	20.1%	\$736,541	2,594,887	21.2%	\$1,544,831	20.9%	\$2,281,372
Large General	168,073	2.6%	\$93,778	427,626	3.5%	\$254,582	3.2%	\$348,359
Small Industrial	101,706	1.5%	\$56,748	259,539	2.1%	\$154,513	1.9%	\$211,261
Medium Industrial	186,552	2.8%	\$104,088	473,510	3.9%	\$281,898	3.5%	\$385,987
Large Industrial	339,445	5.2%	\$189,396	976,078	8.0%	\$581,095	7.0%	\$770,491
ELI 2P-RTP	680,346	10.4%	\$379,604	1,986,608	16.3%	\$1,182,700	14.3%	\$1,562,305
Municipal	127,876	1.9%	\$71,349	206,748	1.7%	\$123,085	1.8%	\$194,434
Unmetered	72,586	1.1%	\$40,500	124,440	1.0%	\$74,084	1.0%	\$114,584
Bowater Mersey (AE only) ⁴	42,857	0.7%	\$23,912	182,570	1.5%	\$108,691	1.2%	\$132,603
Gen. Repl./ Load Foll.	1,576	0.02%	\$879	10,843	0.1%	\$6,455	0.1%	\$7,334
Wholesale Market Backup/Top-up	-	0.00%	\$0	-	0.0%	\$0	0.0%	\$0
1P-RTP	-	0.0%	\$0	-	0.0%	\$0	0.0%	\$0
Total	6,563,808	100.0%	\$3,662,329	12,218,862	100.0%	\$7,274,335	100.0%	\$10,936,664

Classification Breakdown

33.5%**66.5%****100.0%**

(1) The classification is the weighted average of the fully classified total generation plant portion of rate base as shown in the "Base Cost of Fuel Cost of Service Allocation of Fuel Expenses among Rate Classes" table in line #32 under Purchased Power Regular/Fixed section in Appendix C of the 2011 Base Cost of Fuel Compliance Filing submission.

(2) Source: Base Cost of Fuel Cost of Service Allocation of Fuel Expenses among Rate Classes" table under Cost Allocation Factors in Appendix C of the 2011 Base Cost of Fuel Compliance Filing submission.

(3) Source: Base Cost of Fuel Cost of Service Allocation of Fuel Expenses among Rate Classes" table under Cost Allocation Factors in Appendix C of the 2011 Base Cost of Fuel Compliance Filing submission.

(4) Source: Base Cost of Fuel Cost of Service Allocation of Fuel Expenses among Rate Classes" table under Cost Allocation Factors in Appendix C of the 2011 Base Cost of Fuel Compliance Filing submission.

(5) All residential rate classes will use the same unit fixed cost estimate.

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TABLE 2 Preliminary Allocation of 75% of DSM Program Costs associated with benefits realized by participating classes.

COLUMN	A	B	C	D	E	F	G	H	I	J
FORMULA									Σ col A to H	I x 75%
Program	Program costs incurred on participating rate classes.									Program Costs Directly Assigned to Participating rate classes (75% of the total)
	Efficient Products	Existing Houses	New Houses	Home Energy Report	Prescriptive Rebate	Custom	Small Business Direct Install	Enabling Strategies	All Program Costs Combined	
Rate Class										
Residential	\$3,344,076	\$9,578,162	\$4,223,917	\$886,160	\$342,903	\$372,065	\$840,200	\$4,512,188	\$24,099,670	\$18,074,753
Small General	\$291,202	\$0	\$0	\$0	\$261,706	\$164,271	\$707,498	\$245,229	\$1,669,905	\$1,252,429
General Demand	\$291,202	\$0	\$0	\$0	\$2,400,476	\$4,010,135	\$3,978,874	\$119,409	\$10,800,095	\$8,100,071
Large General	\$0	\$0	\$0	\$0	\$148,902	\$773,038	\$0	\$186	\$922,126	\$691,595
Small Industrial	\$0	\$0	\$0	\$0	\$211,903	\$542,584	\$313,889	\$23,668	\$1,092,044	\$819,033
Medium Industrial	\$0	\$0	\$0	\$0	\$787,726	\$1,953,301	\$0	\$2,165	\$2,743,191	\$2,057,394
Large Industrial	\$0	\$0	\$0	\$0	\$239,542	\$1,233,145	\$0	\$414	\$1,473,101	\$1,104,826
ELI 2P-RTP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21	\$21	\$16
Municipal	\$81,356	\$179,256	\$79,051	\$16,585	\$110,745	\$207,724	\$170,246	\$62	\$845,025	\$633,769
Unmetered	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$101,437	\$101,437	\$76,078
Bowater Mersey (AE only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10	\$10	\$8
GRLF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31	\$31	\$23
Wholesale Market Backup/Top-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1P-RTP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$4,007,836	\$9,757,418	\$4,302,968	\$902,744	\$4,503,903	\$9,256,261	\$6,010,706	\$5,004,820	\$43,746,657	\$32,809,993

Notes:

1 Enabling Strategies allocated based on Customer counts COSS, 2009 Compliance Filing

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TABLE 2 a) Estimate of DSM Program participation by rate classes before accounting for the Municipal Class**COLUMN****A****B****C****D****E****F****G****Relative shares of program costs incurred on participating rate classes before Municipal Class.****Program**

Efficient Products

Existing
Houses

New Houses

Home Energy
ReportC & I
Prescriptive
RebateC & I
CustomSmall Business
Direct Install**Rate Class**

Residential

85.0%

100.0%

100.0%

100.0%

7.8%

4.1%

14.2%

Small General

7.5%

0.0%

0.0%

0.0%

6.0%

1.8%

12.2%

General Demand

7.5%

0.0%

0.0%

0.0%

55.0%

44.7%

68.3%

Large General

0.0%

0.0%

0.0%

0.0%

3.4%

8.6%

0.0%

Small Industrial

0.0%

0.0%

0.0%

0.0%

4.8%

5.9%

5.3%

Medium Industrial

0.0%

0.0%

0.0%

0.0%

17.7%

21.3%

0.0%

Large Industrial

0.0%

0.0%

0.0%

0.0%

5.4%

13.5%

0.0%

ELI 2P-RTP

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

Municipal

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

Unmetered

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

Bowater Mersey (AE only)

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

GRLF

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

Wholesale Market Backup/Top-up

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

1P-RTP

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

Total

100.0%

100.0%

100.0%

100.0%

100.0%

100.0%

100.0%

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TABLE 2 b) Preliminary Estimate of DSM Program participation by rate class after accounting for the Municipal Class

COLUMN	A	B	C	D	E	F	G
	Calculation of relative class shares in DSM load reduction effects.						
Program	Efficient Products	Existing Houses	New Houses	Home Energy Report	C & I Prescriptive Rebate	C & I Custom	Small Business Direct Install
Rate Class							
Residential	83.4%	98.2%	98.2%	98.2%	7.6%	4.0%	14.0%
Small General	7.3%	0.0%	0.0%	0.0%	5.8%	1.8%	11.8%
General Demand	7.3%	0.0%	0.0%	0.0%	53.3%	43.3%	66.2%
Large General	0.0%	0.0%	0.0%	0.0%	3.3%	8.4%	0.0%
Small Industrial	0.0%	0.0%	0.0%	0.0%	4.7%	5.9%	5.2%
Medium Industrial	0.0%	0.0%	0.0%	0.0%	17.5%	21.1%	0.0%
Large Industrial	0.0%	0.0%	0.0%	0.0%	5.3%	13.3%	0.0%
ELI 2P-RTP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Municipal	2.0%	1.8%	1.8%	1.8%	2.5%	2.2%	2.8%
Unmetered	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bowater Mersey (AE only)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
GRLF	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wholesale Market Backup/Top-up	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1P-RTP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Relative Shares of Municipal sales in total NSPI sales by sector

	NSPI	Breakdown of Municipal Class Sales by Sector ¹		
DSM-eligible sales by sector		% of Mun.	% of NSPI	
Residential	4,297,308,762.01	78,946,949	40.0%	1.837%
General	3,160,475,829.85	98,683,686	50.0%	3.122%
Industrial (before ELI 2P-RTP, GRLF, Mersey BB)	<u>1,801,729,475.13</u>	<u>19,736,737</u>	<u>10.0%</u>	<u>1.095%</u>
	9,259,514,066.98	197,367,372	100.0%	2.132%

1) Source: Municipal electric utility sales and purchase forecasts for 2011 provided by MEUNSC

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TABLE 3 Preliminary Allocation of Program Costs among rate classes1
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26**COLUMN****A****B****C****D****E****F****G****H****FORMULA****Table 2
Column K****Table 1
Column H****Table 2
Column L****C + E**

	Total Expenditure by Rate class		System Benefit Costs (25% of the total expenditure allocated to classes using COS methodology)		Participating Class benefit Costs (75% of the total expenditure directly assigned to participating classes)		Toal Allocated Costs	
	\$ Amount	Relative Share	\$ Amount	Relative Share	\$ Amount	Relative Share	\$ Amount	Relative Share
Rate Class								
Residential Subtotal	\$24,099,670	55.1%	\$4,697,703	43.0%	\$18,074,753	55.1%	\$22,772,456	52.1%
Small General	\$1,669,905	3.8%	\$230,232	2.1%	\$1,252,429	3.8%	\$1,482,661	3.4%
General Demand	\$10,800,095	24.7%	\$2,281,372	20.9%	\$8,100,071	24.7%	\$10,381,444	23.7%
Large General	\$922,126	2.1%	\$348,359	3.2%	\$691,595	2.1%	\$1,039,954	2.4%
Small Industrial	\$1,092,044	2.5%	\$211,261	1.9%	\$819,033	2.5%	\$1,030,294	2.4%
Medium Industrial	\$2,743,191	6.3%	\$385,987	3.5%	\$2,057,394	6.3%	\$2,443,380	5.6%
Large Industrial	\$1,473,101	3.4%	\$770,491	7.0%	\$1,104,826	3.4%	\$1,875,316	4.3%
ELI 2P-RTP	\$21	0.0%	\$1,562,305	14.3%	\$16	0.0%	\$1,562,320	3.6%
Municipal	\$845,025	1.9%	\$194,434	1.8%	\$633,769	1.9%	\$828,203	1.9%
Unmetered	\$101,437	0.2%	\$114,584	1.0%	\$76,078	0.2%	\$190,662	0.4%
Bowater Mersey (AE only)	\$10	0.0%	\$132,603	1.2%	\$8	0.0%	\$132,611	0.3%
GRLF	\$31	0.0%	\$7,334	0.1%	\$23	0.0%	\$7,358	0.0%
Wholesale Market Backup/Top-up	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
1P-RTP	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Total	\$43,746,657	100.0%	\$10,936,664	100.0%	\$32,809,993	100.0%	\$43,746,657	100.0%