

Electricity Procurement Cost Reduction

Description	YR 1¹ Estimated Cost Reduction Upto	YR 2 Estimated Cost Reduction Upto
Move 14 interval a/c's from RPP to Spot Market	\$180,500	\$361,000
Non-interval a/c's to spot / fixed price contract	<u>\$153,000</u>	<u>\$306,000</u>
Gross Estimated Cost Avoidance	\$333,500	\$667,000
Less: Additional Admin Cost	\$(42,500)	\$(85,000)
Less: Green Power Investment	<u>\$(36,500)</u>	<u>\$(73,000)</u>
Estimated Annual Cost Avoidance	<u>\$254,500</u>	<u>\$509,000</u>

Notes:

1. Estimated implementation of July 1, 2007.
2. Cost reduction estimates are based on Aegent Energy Inc. report.
3. Actual cost reduction will depend on the actual implementation date, future market pricing and RPP exit fees.