

Electricity Procurement Cost Reduction

Description	YR 1 ¹ Estimated Cost Reduction Up to	YR 2 Estimated Cost Reduction Up to
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 Reduction	\$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 Reduction	<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 variance settlement amount.