

VECC – Additional Technical Conference Questions for NRG

- A1. Re D1/T3/S4, please provide breakdowns in the management fees for the years 2006-2010 inclusive similar to the breakdown provided in the response to Board Staff IR# 19 (a).
- A2. Re NRG's response to VECC IR#42. This IR asked for "details of any other entity that receives management services from Ayerswood." (Emphasis added.)

NRG's response was: *"A number of non-arms length companies receive management and general contracting services from Ayerswood. The types of services provided by Ayerswood to these other companies are similar to those provided to NRG. NRG believes that the ability to utilize Ayerswood is of tremendous benefit to NRG and its ratepayers. As a practical matter, it would not be beneficial to full-time employees with the expertise provided by Ayerswood."*

Please provide the total costs of Ayerswood recovered from all other non-arms length entities to which Ayerswood provides management and general contracting services along with the rationale for the allocation of costs to NRG.

- A3. Re NRG's response to VECC IR#43, NRG attributes the almost 50% increase in management fees in 2008 to *"the increased time spent by Ayerswood to oversee, review, and resolve issues that arose regarding the ethanol pipeline."*

Please indicate from which rate class or classes NRG is seeking to recover these costs and also indicate whether accounting records segregate management costs associated with the ethanol pipeline from other management fees costs of NRG.