

UNDERTAKING J3.2

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Undertaking

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

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Response

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There is no revenue requirement impact associated with a change in Forced Loss Rate.

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Forced Loss Rate ("FLR") impacts revenues and not costs.

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Incremental revenue for 2011 and 2012 would be approximately \$7.0M per year based

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on a 0.12 TWh per year increase in generation resulting from an FLR of 1.1 per cent

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versus the 1.5 per cent FLR target.