

72.0 Reference: BCUC IR#1, Question 9.0, Evaluation Model Files(Provided Confidentially by BC Hydro December 1, 2004)

2.72.2 Please specify what assumption is made on GHG liability in the VIGP benchmark and the effect this assumption has on the levelized cost of dispatch in Row 54 of the table below.

RESPONSE:

The Energy Charge (EC) for the benchmark is \$4.19/MWh in 2004 dollars. Of the \$4.19/MWh amount, \$3.75/MWh (in 2004 dollars) reflects the monetization of the GHG liability. Refer to BC Hydro's response to BCUC IR 18.1 for further explanation.

The impact on the levelized cost of dispatch (in 2006 dollars), as described in Row 54 of the table below, is as follows:

	VIGP Benchmark with GHG liability in EC	VIGP Benchmark without GHG liability in EC
Partial Recovery	\$43.1/MWh	\$39.9/MWh
Full Recovery	\$43.9/MWh	\$39.7.MWh
Average	\$43.5/MWh	\$39.8/MWh