

From: Springer, Darren [Darren.Springer@state.vt.us]
Sent: Wednesday, February 25, 2015 11:53 AM
To: Hopkins, Asa
Subject: Re: conf/priv

Thank you

Sent from my iPhone

On Feb 25, 2015, at 11:39 AM, Hopkins, Asa <Asa.Hopkins@state.vt.us> wrote:

Here are some numbers:

If the resource acquisition budgets were reduced such that the total EVT electric budget were flat for 2016 and 17 at its 2015 level, here is what the impacts would be:

- \$9.86 million less in EEC payments (a 6.5% reduction in the 3-year budget)
- If the RA budget takes the full hit, it's a 7% reduction in that budget
- 7% less resource acquisition would have the following costs:
 - o Between 19,000 and 23,000 first-year MWhs not acquired
 - This would create an additional cost to VT ratepayers of \$1.1-1.4 million per year for energy, for the next 10 years
 - o Between 2.4 and 2.9 MW of summer peak not reduced
 - o Between 3.2 and 3.8 MW of winter peak not reduced
 - This capacity savings reduction would cost VT ratepayers between \$290,000 and \$350,000 per year for capacity, for the next ten years. It would also reduce the ability of EVT to bid savings into the FCM, which would capture about that money again (per year) for thermal energy and process fuel efficiency
 - o Between \$20 and \$24 million in total resource benefit (present value) not acquired. TRB includes the values of all avoided commodities (energy, fossil fuel, water, etc).

Note that if the overall budgets were fixed, there would likely be some readjustment of funds between accounts so that non-resource acquisition would shrink, and RA wouldn't take the full brunt. This would somewhat reduce the hit in efficiency acquired.

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