

CALCULATION OF INTERRUPTIBILITY CREDIT BASED ON COST OF PEAKING FACILITY

1	Cost of simple cycle combustion turbine	\$89.71 per MWH
2	Demand loss factor	<u>1.0519</u>
3		\$94.37 per MWH
4	Monsanto interruptions:	
5	Average hourly usage	160 MWH
6	Number of hours of interruption	800 hours
7	Energy interrupted	128,000 MWH
8	Savings due to interruptions (3)x(7)	\$12,078,841
9	Rate for firm service	\$31.40 per MWH
10	Annual Energy usage	<u>1,400,846</u> MWH per year
11	Annual cost for firm service	\$43,986,564
12	Annual cost less interruptibility credit (11)-(8)	\$31,907,723
13	Annual Energy usage	<u>1,400,846</u> MWH per year
14	Average rate with interruptibility credit	\$22.78

Assume: 1,400,846 MWH per year
3,838 MWH per day
160 MWH per hour
800 hours of interruption

Footnotes:

Demand loss factor from Exhibit 16 page 184 Case No. PAC-E-02-1.