

Update and feedback to questions posed by Roger Wood and other Task Force members:

Update to Impacts of Biomass and Solar Projects

The relative impact of both projects has increased due to the drop in natural gas prices. However, the lower gas prices have in turn lowered the outlook for the overall fuel charge in each year. For example, the overall outlook for the 2013 fuel charge is now 17% lower than that estimated in August 2008.

<u>Biomass</u>	<u>Impact Year*</u>	<u>Impact %</u>	<u>Fuel Charge</u>	<u>Natural Gas</u>
		<u>Midpoint</u>	<u>Midpoint Cent/Kwh</u>	<u>Midpoint</u>
Aug 08 Estimate	2012	+1.5%	5.1	\$10.00
Oct 09 Estimate	2013	+10%	4.2	\$7.10

Biomass impact year adjusted to 2013 to reflect mid-2012 start, first full year impact now 2013

<u>Solar</u>	<u>Impact Year*</u>	<u>Impact %</u>	<u>Fuel Charge</u>	<u>Natural Gas</u>
		<u>Midpoint</u>	<u>Midpoint Cent/Kwh</u>	<u>Midpoint</u>
Feb 09 Estimate	2011	+1.5%	4.1	\$8.00
Oct 09 Estimate	2011	+5%	4.0	\$6.89

The relative impact of both projects to the fuel charge will continue to change in response to changes in the price of natural gas as well as other changes in cost for other components of the fuel charge. Natural gas cost is the primary driver since natural gas based power is displaced by the respective projects.

What is the impact to the fuel charge from wind batch #6? Please provide information in % of the fuel charge since beginning of 2009.

Batch 6 (Hackberry wind) is assumed to be 100% in the current fuel charge and makes up approximately 4.9% of energy and 7.5% of cost.