

ATTACHMENT E

Value of Reserves Credit

Forced Outage Reserves		
CTs installed		
Three 500 MW Plants	1500	
One 380 MW Plant	<u>380</u>	
	1880	
Annual Costs (\$000)		
Investment Cost	77,809	
Fixed O&M Cost	<u>12,220</u>	
	90,029	
Reserves Provided (MW)	921	
Annual Fixed Costs Associated w/ Value of Forced Outage Reserves (\$000)	44,105	2.73 m/kWh *
Regional Stability Reserves		
(in \$000)		
Communications	13,634	
Control Systems	<u>7,295</u>	
	20,929	
Overhead (50%)	10,465	
Project Total	31,394	
Capital Recovery Rate, 10 years at 7.48% Interest	0.145553	
Annual Investment Cost	4,569	
Maintenance as a Percent of Investment (2.47%)	775	
Annual Compensation	645	
Annual Fixed Costs Associated w/ Value of Regional Stability Reserves	5,989	0.37 m/kWh *
Total Value of Reserves Credit		3.10 m/kWh *
* Assumes an average annual DSI load =	1842 aMW.	