

DPU Data Request 1.6

What was the main driver for the increase in 2013 wheeling revenue (2013-85,492,935 / 2012-76,416,197) – Page 3.5?

Response to DPU Data Request 1.6

	<u>2012</u>	<u>2013</u>	<u>Revenue Inc (Dec)</u>	
Short-Term Firm / Non Firm Wheeling Revenue	\$ 16,991,276.12	\$ 13,733,944.12	\$ (3,257,332.00)	a.
Long Term Wheeling Revenue Under Tariff	27,838,458.25	38,459,689.03	10,621,230.78	b.
Legacy Use of Facility Agreements	23,150,834.07	21,882,743.86	(1,268,090.21)	c.
Ancillary Schedule 2 Reactive Supply	554,891.33	890,946.32	336,054.99	d.
Ancillary Schedule 3a Regulating Reserves	656,703.84	1,064,630.16	407,926.32	e.
Ancillary Schedule 3 Regulating Reserves	1,973,140.39	2,584,779.82	611,639.43	f.
Ancillary Schedule 5 (Spinning) and Schedule 6 (Supplemental)	2,403,601.95	3,071,948.16	668,346.21	g.
Imbalance Penalties	798,301.79	1,491,141.38	692,839.59	h.
All Other Changes	<u>2,048,989.00</u>	<u>2,313,112.73</u>	<u>264,123.73</u>	
Total Revenue Reported	<u>\$ 76,416,196.74</u>	<u>\$ 85,492,935.58</u>	<u>\$ 9,076,738.84</u>	

- a. Short-Term Firm and Non-Firm Wheeling revenue decreased approximately \$3.3 million predominately due to a decrease in volume, offset slightly by a net increase in price.
- b. Long-Term Wheeling revenue increased approximately \$10.6 million predominately due to both an increase in rates of approximately \$6.0 million and an increase in Legacy Contracts and Long Term Point-to-Point volumes of approximately \$3.2 million and \$1.4 million respectively.
- c. Legacy Use of Facility revenues decreased approximately \$1.3 million due to the termination of a contract of \$1.9 million in revenue offset by an accounting entry recorded in 2012 for prior year revenue of \$0.6 million.
- d. Ancillary Schedule 2 Revenue increased \$0.3 million due predominantly to an increase in volume.
- e. Ancillary Schedule 3a Revenue increased \$0.4 million due predominantly to the impact of increased volumes and the settlement of the transmission rate case.
- f. Ancillary Schedule 3 Revenue increased \$0.6 million due predominantly to the impact of increased volumes and the settlement of the transmission rate case.
- g. Ancillary Schedule 5 (Spinning Reserves) and Schedule 6 (Supplemental Reserves) increased \$0.7 million due to rate changes that occurred during 2013 and to revenues recorded with self-supply customers in 2013, which resulted in additional revenue covering 2012 over amounts accrued.
- h. Imbalance penalties increased \$0.7 million as a result of a legacy agreement converting in 2013 to tariff as well as higher imbalances leading to greater penalties.