

2011 CARIS I: Generic Transmission Costs, WACC, Scenarios

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Generic Transmission Costs

- ◆ Use 2009 CARIS 1 costs for Upstate and Long Island
- ◆ For NYC decrease block size to 500 MVA for 345 kV underground and revise prices upward to reflect solid dielectric cable
- ◆ For NYC tighten range of costs (H-M-L) for substations and system upgrades
- ◆ Consider costs for a hypothetical NYC 138 kV generic underground solution

Weighted Average Cost of Capital

- ◆ **Use WACC of eight TOs for discount rate as per Attachment Y**
- ◆ **Weight the individual WACCs by 2010 energy send out by each TO**
- ◆ **Resulting discount rate is 7.4%**
- ◆ **Arithmetic average of eight TO WACCs is 7.4%, same as the energy-weighted average**
- ◆ **Therefore use 7.4% for PV analysis**

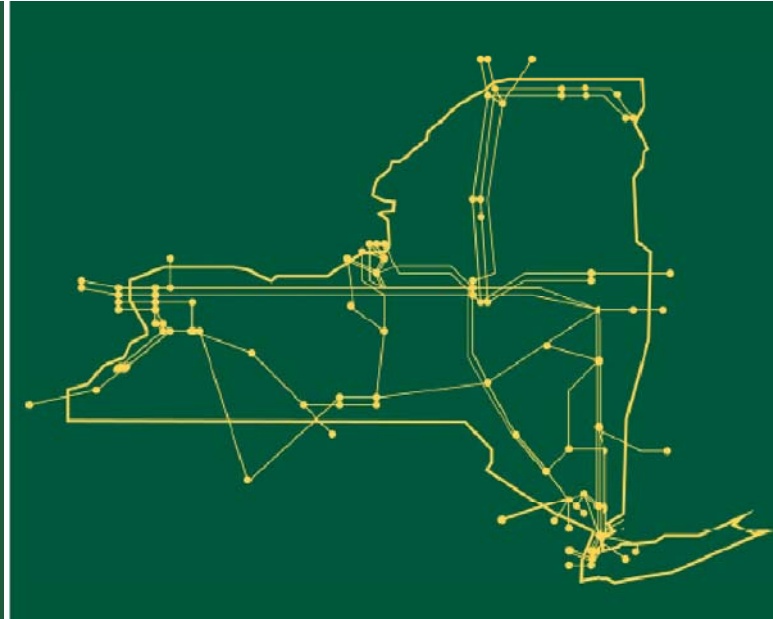
*Proposed Scenarios to be performed
for years 2016 and 2020*

- ◆ **Indian Point Plant retirement**
- ◆ **Gold Book High Load Forecast**
- ◆ **Increased Natural Gas Prices by one standard deviation**

Generic Demand Side Solution

- ◆ **2009 CARIS 1 assumed 50 – 50 energy efficiency and demand response**
- ◆ **Propose 2011 CARIS 1 use same 50 – 50 ratio**

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