

RETAIL ENERGY SUPPLY ASSOCIATION

**Data Request DPUC-01
Interrogatory No. EL-7
Response Date: 10/17/06
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Docket No. 97-01-15RE02

WITNESSES: Roy Boston, Sempra Energy Solutions
Adam Fairbanks, Consolidated Edison Solutions, Inc.
Chris Kallaher, Direct Energy Services, LLC
Jeff Knox, Strategic Energy, LLC
Jay Kooper, Hess Corporation

EL-7. *Using the list in Interrogatory EL-1 as a guide, identify each type of cost that you believe CL&P and UI incur to provide generation services.*

ANSWER: RESA believes that the electric distribution companies (“EDCs”) do or may incur the costs indicated below with a “**Yes**” to provide generation services to their customers. For costs identified with an “**Unknown**,” RESA does not have sufficient information to form a belief as to whether the EDCs incur such costs in providing generation services.

- energy, capacity and ancillary services - **Yes**
- supply acquisition and portfolio management - **Yes**
- non-hardship uncollectible expense - **Yes**
- billing services - **Yes**
- collections - **Yes**
- customer service - **Yes**
- return of and on relevant assets - **Yes**
- allowance for working capital - **Yes**
- payroll and associated IT infrastructure and support related to the employees performing supplier relations, power contract administration and ISO load settlement – **Yes**
- TSO procurement fee and possible incentive procurement fee - **Yes**
- legal fees - **Yes**
- regulatory commission expense - **Yes**
- regulatory compliance – **Yes**

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- transmission costs - **Yes**
- costs currently included in the supplier initiation fee - **Unknown**
- information exchange – **Unknown**