



Commissioners:
Francis J. Hoey, III
Robert H. Griffin
James A. Sutter
Manager:
James M. Lavelle

April 17, 2014

The Secretary
Federal Energy Regulatory Commission
Mail Code: DHAC, PJ-12.2
888 First Street, NE
Washington, D.C. 20426
ATTN.: Anumzziatta Purchiaroni

Dear Secretary:

Headwater Benefits Determination
Connecticut River Basin
Docket No. HB15-14A-89 through 92

On April 15, 2014, the City of Holyoke Gas & Electric Department (HG&E) received the Commission's request from Anumzziatta Purchiaroni for calendar year 2013 replacement values of energy for use in computing headwater benefit fees for the Holyoke Project Number 2004 owned by HG&E. This Project consists of Chemical, Riverside, Boatlock, and Hadley Falls Stations.

The table of 2013 Replacement Value of Energy attached, lists the replacement value of energy as determined by HG&E's dispatchable/incremental energy costs for year 2013. HG&E will continue to review its processes for determining replacement values of energy for future years.

Should you have any questions, please feel free to contact me at (413) 536-9352.

Very truly yours,
HOLYOKE GAS & ELECTRIC DEPT.

Brian C. Beauregard
Superintendent – Electric Division

Attachment

Headwater Benefits Determination
Holyoke Project
Docket No. HB15-14A-89 through 92
HG&E Replacement Energy Costs (2013)

2013 Replacement Value of Energy
(\$/MWh)

January	65.99
February	73.83
March	40.75
April	36.92
May	30.76
June	34.16
July	34.92
August	28.82
September	28.07
October	29.94
November	40.77
December	62.39
Annual Weighted Average	43.26

Monthly \$/MWh is derived from HG&E's average blended cost from the following:

A. Weighted On-Peak Portion of Price:

(i) Value derived from two long-term contracts one with Holyoke Solar, LLC scheduled to terminate on December 31, 2031 for 4.527 MW-dc capacity and one with County Road Solar, LLC scheduled to terminate on February 28, 2032 for 0.7995 MW-dc capacity.

(ii) Contract has been executed with one hydroelectric private party (Open Square Properties, LLC) to purchase energy at a fixed price for 525 MW of capacity subject to adjustments for allowances for procurement of additional energy during certain water conditions or when water conditions are not optimized (i.e., some units down for forced or maintenance outages).

B. Weighted Real-Time Off-Peak energy prices from ISO-NE for our hydro facilities priced at the network node LD.N_Canal 13.8.