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Government of N.W.T.
Yellowknife, N.W.T.**NORTHWEST TERRITORIES POWER CORPORATION
AUTOMATIC FUEL ADJUSTMENT CLAUSE FORMULA**

To calculate the amount of additional revenue required on a quarterly basis, the Corporation will use the following formula:

$$[(A - B) \times C] + D = E$$

where A = Corporate average blended cost of fuel per litre at the end of a quarter

B = Corporate average blended cost of fuel per litre at November 1, 1990

C = Actual fuel consumption during the quarter

D = Additional inventory carrying costs

E = Additional required revenue

Once the total amount of additional required revenue is determined, the anticipated energy sales for the following quarter will be used to determine the required across-the-board rate increase (cents/kWh). This rate increase would then be applied to all energy rates charged by the Corporation.

If the Corporation determines during its monthly and quarterly reviews of fuel costs and energy sales revenues that it has under or over collected, then the amount of the under/over collection would be incorporated into the subsequent fuel adjustment clause.

Fuel adjustment clauses will be adjusted quarterly as required.