

1 **Q. Reference: Page 3-27 of Company Evidence**

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3 **Please explain why the discussion focuses entirely on the increase in electricity**
4 **supply costs in 2017 relative to 2013, with no discussion of the fact that these costs**
5 **are forecast to decrease in 2015, 2016 and 2017 relative to the actual costs reported**
6 **in 2014?**

7

8 A. The primary forces influencing changes in electricity supply costs from 2013 to 2017F
9 are disclosed in the evidence provided on page 3-27.

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11 The higher 2014 electricity supply costs relative to the 2015 through 2017F period are
12 largely the result of additional costs required to respond to the supply outages of January
13 2014. This is specifically referred to in footnote 42 on page 3-27.