Q. Page 2-18, lines 3-5: Please update the aggregated avoided fuel costs for the energy savings of 418.3 GWh using Hydro's updated October 2015 forecast fuel cost of $64.41 per barrel ($Can).

A. The updated fuel costs for the energy savings of 418.3 GWh translates into avoided fuel costs of approximately $42.7 million.[1]

Use of current fuel costs results in inappropriately low estimates of energy savings. A significant proportion of energy savings associated with Newfoundland Power's customer energy conservation programming were realized when fuel costs were significantly higher.

[1] $42.7 million is based on an Holyrood production cost of 0.102 $/kWh. (418,300,000 kwh X 0.102 $/kWh = $42,666,600). The production cost of 0.102 $/kWh is based on the fuel price of 64.41 $/barrel and a 630 kWh/barrel conversion efficiency. (64.41 $/barrel ÷ 630 kWh/Barrel = 0.102 $/kWh).