

- 1 Q. **Volume 1 (1st Revision), Chapter 5: Rates and Regulations**
- 2 In a table similar to Table 1 in Hydro’s letter to the Board dated October 28, 2015,
- 3 please provide a comparison between the 2018 and 2019 test year fuel costs in the
- 4 Application and the 2018 and 2019 test year fuel costs based on Hydro’s latest fuel
- 5 price forecast.
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- 8 A. Please refer to Tables 1 and 2. The most recent fuel forecasts for 2018 and 2019 are
- 9 as of the end of September 2017.¹

Table 1 Proposed 2018 Test Year vs. Revised Fuel Forecast (\$)

	2018 Test Year	Revised Fuel Forecast ²	Change
<u>Island Interconnected System</u>			
Holyrood TGS No. 6 Fuel Costs	217,926,777	160,785,023	(57,141,755)
Number of Barrels	2,552,118	2,552,118	
Average Cost per Barrel	86.41	63.75	(22.66)
<u>Isolated Systems</u>			
Diesel Production Cost	19,560,500	15,830,000	(3,730,500)
Volume (litres)	16,962,900	16,962,900	
Average Cost per litre	1.15	0.93	(0.22)
Purchase Costs	3,609,796	2,787,896	(821,900)
kWh Purchases	25,992,300	25,992,300	
Average Cost per kWh	0.14	0.11	(0.03)
Total Isolated Systems	23,170,296	18,617,896	(4,552,400)

¹ The revised fuel forecast for 2018 was provided to the Board in its correspondence to the Board on October 16, 2017 for use in the Industrial Customer fuel rider for 2018.

² The revised fuel forecast is an estimate reflecting the change in the fuel price forecast but does not include the impact of inventory on the average fuel cost.

Table 2 Proposed 2019 Test Year vs. Revised Fuel Forecast (\$)

	2019 Test Year	Revised Fuel Forecast ²	Change
<u>Island Interconnected System</u>			
Holyrood TGS No. 6 Fuel Costs	220,709,460	173,553,587	(47,155,874)
Number of Barrels	2,533,629	2,533,629	
Average Cost per Barrel	87.11	68.50	(18.61)
<u>Isolated Systems</u>			
Diesel Production Cost	20,975,600	16,768,700	(4,206,900)
Volume (litres)	16,990,600	16,990,600	
Average Cost per litre	1.23	0.99	(0.24)
Purchase Costs	3,944,596	3,006,796	(937,800)
kWh Purchases	26,191,200	26,191,200	
Average Cost per kWh	0.15	0.11	(0.04)
Total Isolated Systems	24,920,196	19,775,496	(5,144,700)