

1 Q. **Reference: Regulated Activities Evidence**

2 Please provide the projected power purchase cost increases on the Island
3 Interconnected System for the period 2014 to 2017 reflecting the price escalation
4 clauses contained in existing purchase power agreements. (Regulated Activities
5 Evidence, page 2.1, line 20)
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8 A. The table on the following page outlines the projected power purchase cost
9 increases on the Island Interconnected System (by source) for the period 2014 to
10 2017 reflecting the price escalation clauses contained in existing purchase power
11 agreements. It should be noted that the costs for the Corner Brook Pulp and Paper
12 co-gen energy is dependent on escalation and the average price of Bunker C fuel in
13 CBPP's tanks. Hydro used the 2014 inventory fuel costs at CBPP to forecast costs
14 out to 2017.

Table 1

Year	2014-2017 Power Purchase Costs ('\$000)										
	Nalcor Exploits	Nalcor Star Lake	Rattle Brook	Corner Brook P&P CoGen	St. Lawrence Wind	Ecoenergy Incentive Payments	Fermeuse Wind	Ecoenergy Incentive Payments	CBPP Capacity Assistance	VALE Capacity Assistance	Total Power Purchases
2014	24,383.7	5,893.4	1,127.3	9,804.7	7,116.9	(587.7)	6,268.2	(534.1)	6,126.0	-	59,598.4
2015	25,340.0	5,687.2	1,253.7	10,281.3	7,514.2	(637.9)	6,487.8	(631.9)	1,680.0	442.4	57,416.8
2016	25,345.2	5,687.2	1,270.4	10,295.1	7,545.6	(620.9)	6,521.9	(620.9)	1,680.0	442.4	57,546.0
2017	25,345.6	5,687.2	1,286.7	10,308.4	7,577.0	(620.9)	6,547.5	(620.9)	2,100.0	553.0	58,163.6