

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)

6
7
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 inventory fuel costs at Holyrood as a proxy for CBPP's
14 inventory fuel costs.

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	Total Power Purchases
2014	25,145.2	5,667.6	1,253.1	7,135.3	7,514.2	(620.8)	6,432.0	(586.8)	51,940
2015	25,246.0	5,671.6	1,270.8	6,867.8	7,545.6	(620.9)	6,457.4	(620.9)	51,817
2016	25,246.0	5,671.6	1,287.9	7,007.6	7,587.5	(620.9)	6,491.1	(620.9)	52,050
2017	25,246.0	5,671.6	1,304.5	7,106.4	7,619.0	(620.9)	6,516.5	(620.9)	52,222