

1 Q. Reference: 2015 Interim Rates Application, Appendix B, Footnote 1:
2 Please provide the supporting calculation for the lower diesel costs of \$3.2 million.

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5 A. Please see the table below, which provides the forecasted diesel fuel quantities,
6 consumption prices and diesel fuel costs by system for both Hydro's Amended
7 Application and the 2015 Interim Rates Application. In the Amended Application,
8 diesel fuel cost was prepared by Hydro in October 2014 and was based on forecast
9 diesel fuel prices available as of October 1, 2014. For the 2015 Interim Rates
10 Application, fuel cost for the isolated systems was prepared by Hydro in January
11 2015 and is based on forecast diesel fuel prices available as of January 6, 2015. As
12 indicated by the table and TIR-NP-NLH-010, diesel fuel costs for the Labrador
13 Interconnected and Island Interconnected Systems were not updated to reflect the
14 diesel fuel prices available as of January 6, 2015.

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16 The lower diesel costs of \$3.2 million is the difference between the Amended
17 Application total diesel fuel cost of \$18.8 million and the 2015 Interim Rates
18 Application total diesel fuel cost of \$15.6 million.

	Amended GRA			Interim Rates Application		
	Fuel Requirement Forecast	Fuel Consumption Price	Diesel Fuel Cost	Fuel Requirement Forecast	Fuel Consumption Price	Diesel Fuel Cost
	(Millions of liters)	(\$/liter)	(Millions of \$)	(Millions of liters)	(\$/liter)	(Millions of \$)
Island Isolated	2.152	1.111	2.39	2.152	0.891	1.92
Labrador Isolated	14.163	1.099	15.57	14.163	0.922	13.06
L'Anse au Loup	0.638	0.997	0.64	0.638	0.795	0.51
Island Interconnected	0.103	0.846	0.087	0.103	0.846	0.087
Labrador Interconnected	0.0687	1.085	0.075	0.0687	1.085	0.075
Total Diesel Fuel Cost (Rounded)			18.8			15.6