

1 Q. **Volume 1 (1st Revision), Chapter 4: Finance**

2 Please detail the amounts included in Hydro’s calculation of (i) average rate base
 3 and (ii) revenue requirement related to Holyrood Thermal Generating Station
 4 inventory for the approved 2015 test year, 2015 and 2016 actuals, 2017 forecast
 5 and 2018 and 2019 test years. (Volume I
 6 (1st Revision), Chapter 4: Finance, Page 4.11, Line 12, et. seq.)

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 9 A. Please refer to Table 1 for the requested information relating to the Holyrood
 10 Thermal Generating Station materials inventory.¹

Table 1 Holyrood Thermal Generating Station – Inventory Calculations (\$000s)

	2015 Test Year	2015 ² Actuals	2016 ² Actuals	2017 ² Forecast	2018 Test Year	2019 Test Year
Average Rate Base:						
Materials	8,223	8,678	9,714	10,142	10,142	10,142
Less Holyrood Inventory Allowance	-	-	-	-	(1,041)	(3,122)
	8,223	8,678	9,714	10,142	9,102	7,021
Rate of Return on Rate Base	6.61%	5.58%	6.79%	5.02%	5.73%	5.68%
Return on Rate Base	544	484	660	509	522	399
Inventory Allowance in Rev. Req.	-	-	-	-	2,082	2,082
Total Impact	544	484	660	509	2,604	2,481

¹ Excluding inventory relating to the Holyrood Gas Turbine.

² Please note that the revenue requirement collected for the period of 2015 Actuals to 2017 Forecast would actually be in the 2015 Test Year revenue requirement amount of \$544,000.