

- 1 Q. Further to the responses to PUB-NLH-011 and NP-NLH-115, provide the savings in
2 the Off-Island Purchases Account using the revised forecast for No.6 fuel as of the
3 end of September, 2017.
4
5
6 A. Please refer to **the revised** PUB-NLH-110, Attachment 1.

Off-Island Deferral Account
(\$000)

	2018	2019	2020
Fuel Consumption Savings			
A CF(L)Co Recapture (GWh) ¹	453	1,055	133
B Muskrat Falls Pre-Commissioning (GWh) ¹	-	-	733
C Out-of-Province Purchases (GWh)	-	-	-
D Less: Losses LTA / LIL (GWh)	65	136	91
E Delivery of Off-Island Power Purchases (GWh) ²	388	919	775
F Test Year Holyrood conversion rate (kWh/barrel)	618	616	616
G Test year price of No. 6 ³	\$ 64.41	\$ 63.75	\$ 63.75
H = (E / F) x G	\$ 40,454	\$ 95,090	\$ 80,210
Fuel Inventory Savings⁴			
I Test year No. 6 inventory barrels	634,795	600,125	629,732
J Forecast No. 6 inventory barrels	624,751	565,950	116,178
K Test year price of No. 6	\$ 64.41	\$ 63.75	\$ 63.75
L Test year WAAC	6.61%	5.68%	5.68%
M = (I - J) x K x L	\$ 43	\$ 124	\$ 1,860
Cost of Off-Island Purchases⁵			
N CF(L)Co Recapture	\$ 886	\$ 1,946	\$ 260
O Muskrat Falls Pre-Commissioning	\$ -	\$ -	\$ -
P Out-of-Province Purchases	\$ -	\$ -	\$ -
Q Total Off-Island Purchase Cost	\$ 886	\$ 1,946	\$ 260
R OpEx for LIL \ LTA	\$ 27,300	\$ 52,900	\$ 35,700
S = Q + R	\$ 28,186	\$ 54,846	\$ 35,960
T = H + M - S			
Off-Island Supply Deferral Transfer	\$ 12,310	\$ 40,368	\$ 46,109
Interest @ WACC	\$ 407	\$ 1,869	\$ 4,431
Off-Island Supply Deferral Balance	\$ 12,717	\$ 54,954	\$ 105,494

¹ Off-Island purchases expressed at Churchill Falls with losses, shown in D, to express energy delivered to the Island Interconnected System.

² Expressed at Island Interconnected System.

³ The 2019 Test Year price of No 6 fuel reflects the October 2017 Rate Stabilization Plan Fuel Price Projection — Island Industrial Customers.

⁴ For the purpose of the calculation of fuel inventory savings, if the forecast 13 month Average Volume of No. 6 Fuel Inventory in barrels exceeds the Test Year 13 month Average Volume of No. 6 fuel inventory in barrels the difference will be assumed to be zero.

⁵ The commissioning date for the Muskrat Falls project is assumed to be Q3 2020.