

1 Q. Please provide the estimated incremental fuel and O&M cost to Hydro customers of
 2 power generated by the Hardwoods Gas Turbine and Stephenville Gas Turbine as
 3 compared to cost to Hydro customers of power generated by respectively the
 4 Holyrood thermal generation plant and the 100 MW Combustion Turbine plant.
 5 Please also provide the estimated full revenue requirement for each plant in terms
 6 of return on rate base, depreciation, and fixed O&M, including the impact of the
 7 respective total capital expenditures on each for the period 2008-2015 are taken
 8 into account in the rates charged to Hydro customers.

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11 A. The production cost of the Hardwoods and Stephenville plants as compared to the
 12 Holyrood CT and Holyrood Thermal Generating Station are shown in table 1.

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Table 1

Production Cost by Plant

2016 Forecast	Net Production (GWh)	Cost (\$ millions)	Energy Rate (\$/kWh) ¹
Holyrood Thermal	1,684.79	\$ 126,074,945	\$ 0.07
Holyrood CT	101.19	\$ 19,881,514	\$ 0.20
Hardwoods GT	11.51	\$ 3,160,829	\$ 0.27
Stephenville GT	3.16	\$ 1,544,513	\$ 0.49

¹ The energy rates for standby units indicated in the table are based on net production, after station service and synchronous condenser consumption (where applicable). Increased station service or synchronous condenser consumption, relative to gross production, can result in skewed energy rates. Net production amounts and production costs in the table include actuals to the end of March, 2016

1 Hydro does not prepare a cost of service for each plant asset. As such, the
2 estimated revenue requirement for all gas turbines, by test year, is shown in table
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Table 2
Gas Turbine Revenue Requirement

Particulars (\$000s)	2007 Test Year	2015 Test Year
Return	401.0	10,314.6
Depreciation	392.0	4,982.2
O&M	<u>1,799.7</u>	<u>11,333.8</u>
Total	2,592.7	26,630.6

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6 The increase in revenue requirement from 2007 to 2015 is primarily a result of the
7 new Holyrood CT.