

1 Q. (Re: CA-NLH-272) Do the figures in the following table reflect Hydro's most current
2 estimate of marginal costs on the Island Interconnected system? If not, please
3 submit the table with the correct figures.

| <i>Year</i> | <i>Capacity (\$/kW/year)</i> | <i>Energy (cents/kWh)</i> |
|-------------|------------------------------|---------------------------|
| 2015 | 51 | 10.6 |
| 2016 | 70 | 13.3 |
| 2017 | 94 | 13.8 |
| Average | 71.67, or \$5.98/month | 12.6 |

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7 A. The figures in the table above for the marginal cost of capacity do not reflect
8 Hydro's most current estimate. Please see Hydro's responses to CA-NLH-033
9 (Revision 1, Dec 9-14) page 2 of 2 or IC-NLH-166, Table B, column 3, which provide
10 Hydro's current estimate of the marginal cost of capacity for the years 2015
11 through 2017. Please note that the estimates of the marginal cost of capacity that
12 were provided in CA-NLH-033 (Revision 1, Dec 9-14) page 2 of 2 and IC-NLH-166,
13 Table B, column 3 were prepared in the October/November 2014 time frame.

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15 The figures in the table above for the marginal cost of energy for the years 2015
16 through 2017 are consistent with the figures provided in Hydro's response to CA-
17 NLH-272 and do reflect Hydro's most current estimate for the marginal cost of
18 energy.

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20 Please note that Hydro will be updating its forecast of marginal costs upon
21 completion of the marginal cost review currently being undertaken by NERA and at
22 that time will incorporate any required changes deemed appropriate by NERA.