

1 Q. On page 31 of the ESRA Report, Hydro notes that the *“preliminary analysis indicates*  
2 *that the advancement of TL267 will likely result in a shifting of cash flows between*  
3 *years and is not, at this point, expected to have a material increase in cost.”* In  
4 Hydro’s opinion what additional cost may arise and what is the magnitude of the  
5 increase in the costs from the advancement of the in-service date for TL267 to be  
6 available for Winter 2017/18?

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9 A. Tender results recently received for the major equipment and construction  
10 contracts support the advancement of the in-service date, and demonstrate that  
11 the budget expectation is accurate and that the acceleration of the schedule has no  
12 negative impact to overall project cost. The project remains forecasted to be on  
13 budget at \$291,658,000.