
NEEDS FOR AND ALTERNATIVES TO (NFAT)

Manitoba Hydro Undertaking #37

If there is a revision, provide an updated Table 2.

Response:

A revision of Table 2 on Page 67 of Manitoba Hydro's Rebuttal Evidence submitted on February 28, 2014 is not required.

Table 2 on Page 67 of Manitoba Hydro's Rebuttal Evidence depicts Onshore Wind Assumptions for the Annual Energy Outlook (AEO) of Various Years as annually issued by the U.S. Energy Information Administration (EIA). Between the years 2009 and 2013 the EIA made two major "revisions" to the Total Overnight Cost from the preceding year.

In November 2010 the EIA issued the document "Updated Capital Cost Estimates for Electricity Generating Plants" which included an increase of approximately 21 percent in the overnight capital costs for onshore wind relative to the AEO 2010 assumptions. This update lists the overnight capital costs for an onshore wind project as \$2438/kW in 2010 US dollars. This cost appears in the next AEO for 2011 as an overnight capital costs of \$2409/kW in 2009 US dollars, which is the value included in the Table 2 on page 67 of Manitoba Hydro's Rebuttal.

In April 2013 the EIA issued the document "Updated Capital Cost Estimates for Utility Scale Electricity Generating Plants" which included a reduction of approximately 13 percent in the overnight capital costs for on shore wind relative to the 2010 study.

Referenced Document Links:

2010 EIA update: http://www.eia.gov/oiaf/beck_plantcosts/pdf/updatedplantcosts.pdf

2013 EIA update: http://www.eia.gov/forecasts/capitalcost/pdf/updated_capcost.pdf