



MAY 08 2017

MR. KIERON TESTART  
MLA KAM LAKE

**Oral Question 571-18(2) Territorial Electrical Power Generation Asset Expansion and Replacement**

In response to your question asked February 14, 2017 I am pleased to provide the following information.

Total replacement of all NTPC assets today would cost in the order of \$1.24Billion (Hydro Assets - \$560M, Diesel Plants - \$190M, T&D Assets - \$430M and Corporate Assets - \$60M). NTPC sustains these assets with an investment of \$22M/year which is supported through existing rates. However, many of the hydro and some diesel, transmission and distribution assets are coming to end of life in the next 10 years. As a result, the \$22M/year will be exceeded by approximately \$70M in total over the next 10 years to replace existing assets as they come to end of life. NTPC's forecasts beyond the next 10 years are showing that it can sustain its assets within the normal replacement capital program. NTPC is working with the GNWT as well as the Public Utilities Board to determine how best to manage this period of extensive replacements.

Please contact my office if you have any further questions.

Louis Sebert  
Minister Responsible for the  
Northwest Territories Power Corporation

- c. Mr. Tim Mercer, Clerk of the Legislative Assembly
- Mr. Gary Bohnet, Principal Secretary
- Mr. David Hastings, Legislative Coordinator