



MAR 10 2017

MR. CORY VANTHUYNE
MLA, YELLOWKNIFE NORTH

Oral Question 670-18(2) New Generators for Yellowknife Power Plant

In regards to your question of March 2, 2017, regarding the expenses incurred by the Northwest Territories Power Corporation (NTPC), to date, due to the delays of not receiving generators on time.

While NTPC has rented three mobile generators for the Jackfish plant to ensure reliability during this winter, the delayed vendor has agreed to pay those rental costs.

The total paid to the mobile unit rental company will be approximately \$500,000. However, those costs will be covered by Viridi Power Incorporated and will not impact customer rates.

Any expenses for fuel and lubricants would have been incurred by NTPC regardless if the units were owned or rented, so are not included as an additional cost.

In addition, you asked if the contract for the generator units was in Canadian or U.S. currency.

The original purchase order was in Canadian funds, however since then it has switched to U.S. funds. The difference in dollar value will be covered by the contingency allowance built into this project's original budget.

The decision to change the order to U.S. funds was evaluated thoroughly and re-negotiating with the existing supplier was preferred over moving on to a second lowest bidder that did not offer the same integrated system and that would have required significant additional systems and costs for a comparable product.

A handwritten signature in black ink, appearing to read 'Louis Sebert'.

Louis Sebert
Minister Responsible for the
Northwest Territories Power Corporation

- c. Mr. Tim Mercer, Clerk of the Legislative Assembly
Mr. David Hastings, Legislative Coordinator