

UNDERTAKING J22.1

Undertaking

To provide the revenue requirement impact of AHS & OSB, including the year.

Response

Based on forecast capital in-service additions for the Auxiliary Heating System (AHS) project of \$94.2M in 2016 and \$0.1M in 2017 (Ex. D2-1-3 Table 1, line 11, cols. (k) and (l), respectively), the estimated nuclear revenue requirement impact for the project is approximately \$11M in 2017, \$9M in 2018, \$8M in 2019, and \$9M in each of 2020 and 2021.

For the Operations Support Building (OSB), the estimated nuclear revenue requirement impact is approximately \$6M in 2017 and \$5M in each of 2018 to 2021, based on \$55.1M placed in service in 2015 (Ex. D2-1-3, p. 10, line 26) and \$3.6M forecast to be placed in service in 2016 (Ex. D2-1-3 Table 1, line 2, col. (k)).

The above estimates include income tax impacts related to capital cost allowance deductions and were otherwise derived using the same approach used in Ex. N2-1-1 for the Heavy Water Storage and Drum Handling Facility Project, including the impact on regulatory tax loss carryback.