

Appendix 1

HYPOTHETICAL IPP versus SITE C in Nominal, Levelized and Constant Dollars

Year	Inflation Factor for 2%	Site C Book Value \$2.65 B in 2003\$	Site C Interest @ 6.5%	Site C OMA	Site C Taxes	Site C Water Rental	Site C Deprec. at 2.5%	Annual Site C Cost	Site C Nominal \$ /MWH	Hypothetical IPP Nominal \$ /MWH	Discount Factor at 8%	Site C 8% Discounted \$ /MWH	IPP 8% Discounted \$ /MWH	Constant Dollar Factor	Site C Constant \$/MWH	IPP Constant \$/MWH
10	1.219	3230.350	209.973	13.531	0.588	32.048	80.759	336.897	70.48	65.83	1.0000	70.48	65.83	1.0000	70.48	65.83
11	1.243	3166.396	205.816	13.802	0.588	32.688	81.171	334.064	69.89	66.48	0.9259	64.71	61.56	0.9804	68.52	65.18
12	1.268	3102.365	201.654	14.078	0.588	33.342	81.591	331.252	69.30	67.15	0.8573	59.41	57.57	0.9612	66.61	64.54
13	1.294	3038.258	197.487	14.359	0.588	34.009	82.019	328.462	68.72	67.82	0.7938	54.55	53.84	0.9423	64.75	63.91
14	1.319	2974.071	193.315	14.646	0.588	34.689	82.456	325.694	68.14	68.50	0.7350	50.08	50.35	0.9238	62.95	63.28
15	1.346	2909.805	189.137	14.939	0.588	35.383	82.902	322.949	67.56	69.18	0.6806	45.98	47.09	0.9057	61.19	62.66
16	1.373	2845.456	184.955	15.238	0.588	36.091	83.357	320.228	66.99	69.88	0.6302	42.22	44.03	0.8880	59.49	62.05
17	1.400	2781.023	180.767	15.543	0.588	36.813	83.821	317.530	66.43	70.57	0.5835	38.76	41.18	0.8706	57.83	61.44
18	1.428	2716.505	176.573	15.854	0.588	37.549	84.294	314.857	65.87	71.28	0.5403	35.59	38.51	0.8535	56.22	60.84
19	1.457	2651.900	172.374	16.171	0.588	38.300	84.776	312.208	65.32	71.99	0.5002	32.67	36.01	0.8368	54.65	60.24
20	1.486	2587.207	168.168	16.494	0.588	39.066	85.269	309.584	64.77	72.71	0.4632	30.00	33.68	0.8203	53.13	59.65
21	1.516	2522.422	163.957	16.824	0.588	39.847	85.771	306.987	64.22	73.44	0.4289	27.54	31.50	0.8043	51.65	59.07
22	1.546	2457.546	159.740	17.160	0.588	40.644	86.283	304.415	63.69	74.17	0.3971	25.29	29.46	0.7885	50.22	58.49
23	1.577	2392.575	155.517	17.504	0.588	41.457	86.805	301.871	63.15	74.92	0.3677	23.22	27.55	0.7730	48.82	57.91
24	1.608	2327.508	151.288	17.854	0.588	42.286	87.338	299.353	62.63	75.67	0.3405	21.32	25.76	0.7579	47.46	57.34
25	1.641	2262.343	147.052	18.211	0.588	43.132	87.881	296.864	62.11	76.42	0.3152	19.58	24.09	0.7430	46.15	56.78
26	1.673	2197.078	142.810	18.575	0.588	43.994	88.436	294.403	61.59	77.19	0.2919	17.98	22.53	0.7284	44.87	56.23
27	1.707	2131.711	138.561	18.947	0.588	44.874	89.001	291.971	61.08	77.96	0.2703	16.51	21.07	0.7142	43.62	55.67
28	1.741	2066.240	134.306	19.325	0.588	45.772	89.578	289.568	60.58	78.74	0.2502	15.16	19.70	0.7002	42.42	55.13
29	1.776	1976.662	128.483	19.712	0.588	46.687	90.166	285.636	59.76	79.52	0.2317	13.85	18.43	0.6864	41.02	54.59
Column Totals									1302.26	1449.42	10.6036	704.90	749.73		1092.04	1200.82
									Levelized Cost			66.48	70.70			