

NORTHWEST TERRITORIES POWER CORPORATION
APPLICATION FOR A MAJOR PROJECT PERMIT
BLUEFISH LAKE DAM REPLACEMENT

REPLY ARGUMENT OF THE CITY OF YELLOWKNIFE

October 7, 2009

BROWNLEE LLP
Barristers and Solicitors

The City of Yellowknife (the "City") has reviewed the argument filed on behalf of the Northwest Territories Power Corporation ("NTPC") on September 30, 2009, and considers that in the main, the City correctly anticipated that argument such that little is required in the way of reply argument. The City has one comment by way of clarification.

The City notes that NTPC indicates at page 7 of its Argument that the "impact of the Project being brought into rates" is a net rate decrease in the first and second years in service. For clarity, it must be noted that these decreases assume that the increased costs associated with the dam replacement will be more than offset by the ending of the shortfall and stabilization riders. The City would direct the Board to YK-NTPC-6 for the impact of the Project on rates, absent the shortfall and stabilization fund riders. As shown there, the Yellowknife wholesale rate increases by 3.7% and 7.4% in years one and two based on the Project budget and by 5.6% and 11.1% based on a 50% cost overrun both solely due to the Bluefish Dam Replacement.

All of which is respectively submitted on behalf of the City of Yellowknife this 7th day of October, 2009.

Brownlee LLP
Solicitors for the City of Yellowknife



THOMAS D. MARRIOTT