

NTPC holds the line on rates

Yellowknife, April 15, 2010 – The Northwest Territories Power Corporation will hold the line on general rate increases for at least the next year. Lew Voytilla, Chairman of the NT Hydro Corporation, made the announcement today at the NWT Chamber of Commerce Annual General Meeting.

NTPC has not had any increase in general rates for 30 months despite flat sales growth and cost increases. A general rate increase covers costs such as fuel, salary, interest, insurance, labor, and other operating overheads.

“The Power Corporation will be pressed to meet some of its financial targets, but sometimes there are higher priorities. The NWT is going through a period of economic uncertainty and we can help stabilize the cost of living and the cost of doing business for all Northerners by holding the line on rates,” says Voytilla.

Voytilla also indicated that the Board of Directors is committed to holding the line beyond 2010/11, if possible.

The Chair offered a cautionary note with regard to fuel costs pointing out that North American forecasts have pegged the price of oil at \$95 per barrel by 2015. He also indicated that some of the impact of higher oil prices may be offset by a stronger Canadian dollar.

“No one can assume the full risk of world oil price fluctuations. These factors, of course, are outside our influence. So I’m couching my commitment a bit and saying that if the strong dollar doesn’t offset fuel increases, we’ll have to apply to the PUB for a rate rider to ensure recovery of fuel cost increases,” said Voytilla.

“But for at least the next year, despite inflationary pressures, labor and interest costs we’re holding the line on general operating increases. NTPC has done a good job since its last general increase. The Board of directors believes the Corporation is up to the challenge,” he added.

In 2007 the Government of the Northwest Territories created a new structure for the electricity sector: the NT Hydro Group of Companies. The Northwest Territories Power Corporation and the Northwest Territories Energy Corporation (03) Ltd are subsidiaries of NT Hydro. Each has a different role in the market. The GNWT owns all three corporations.

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