

1 Q. **Additions To The Rate Base**

2 References:

3 (i) NLH 2013 Amended GRA – Order no. P.U. 49 (2016) Compliance
4 Application, Exhibit 11 – 2015 Test Year Cost of service for 2015
5 Revenue Deficiency, line 6, column 5

6 (ii) NLH 2017 GRA, Evidence, Exhibit 14 – 2018 Test Year Cost of Service
7 Study, line 24, column 5

8 (i) *Indicates a 2015 Net Book Value for Transmission of \$8,261,530. (ii)*

9 (ii) *Indicates a 2018 Net Book Value for Transmission of \$36,867,919.*

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11 Please describe the projects and investments made on the Labrador transmission
12 system that amount to the difference in net book value of more than \$28.6 million.

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15 A. The 2015 Test Year Cost of Service for 2015 Revenue Deficiency identified in part (i)
16 of the references to this Request for Information was not Hydro’s final, approved
17 2015 Test Year Cost of Service Study. The final, approved 2015 Test Year Cost of
18 Service Study was included in Exhibit 8 to Hydro’s May 18, 2017 Compliance
19 Application.

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21 The approved 2015 Test Year Cost of Service Study indicates a 2015 net book value
22 for Transmission of \$11,270,553 (Schedule 2.3 E page 1 of 1, Column 5, line 6).

23 Therefore, the increase in net book value for transmission assets between the 2015

24 Test Year Cost of Service and the 2018 Test Year Cost of Service is \$25.6 million.¹

¹ (\$36.9 million net book value in 2018 - \$11.3 million in 2015) = \$25.6 million.

1 The projects and investments made on the Labrador transmission system that
2 amount to the difference in net book value of \$25.6 million are provided in IOC-
3 NLH-028, Attachment 1.

Newfoundland and Labrador Hydro
Summary of Projects and Investments made to Labrador Transmission System (\$000s)

In-Service Year	Asset Name	Average NBV ¹	Original Cost	
2016	TL-1301, Wood Pole Line Management	206.9	458.6	
	125VDC Battery Bank - WABSS	48.5	58.2	
	138KV Insulators 2016, HVYTS	49.2	53.7	
	25KV Insulators 2016, HVYTS	25.6	28.0	
	B12B14 Upgrade 2016, HVYTS	68.5	73.0	
	Breaker, T4B14, HVYTS	128.2	134.8	
	Bus Upgrade 2016 HVYTS	113.6	123.0	
	Bushing 1, T4B14 HVYTS	14.1	14.8	
	Bushing 2, T4B14, HVYTS	14.7	15.4	
	Bushing 3, T4B14, HVYTS	14.7	15.4	
	Bushing 4, T4B14, HVYTS	14.7	15.4	
	Bushing 5, T4B14, HVYTS	14.7	15.4	
	Bushing 6, T4B14, HVYTS	14.7	15.4	
	Concrete Foundations ,HVYTS	165.6	173.7	
	CT T4B14 C PH, HVYTS	50.7	54.1	
	Disconnect, T4B13, HVYTS	136.3	145.1	
	Disconnect, T4B14-1, HVYTS	39.0	41.6	
	Grounding Upgrades 2016, HVYTS	52.5	54.9	
	MIMIC Panel Upgrade 2016, HVYTS	189.5	205.9	
	Protection Panel T4, HVYTS	122.9	133.6	
	Revenue Metering Up, HVYTS	27.6	30.0	
	Tap Changer Upgrade, HVYTS	181.8	190.7	
	BUSHING H1,T4 HVYTS	25.6	27.2	
	BUSHING H2,T4 HVYTS	25.6	27.2	
	BUSHING H3,T4 HVYTS	25.6	27.2	
	BUSHING H1, T32, CHF TS	19.2	20.1	
	BUSHING H2, T32, CHF TS	19.2	20.1	
	BUSHING H3, T32, CHF TS	19.2	20.1	
	BUSHING X1, T32, CHF TS	19.2	20.1	
	BUSHING X2, T32, CHF TS	19.2	20.1	
	BUSHING X3, T32, CHF TS	19.2	20.1	
	L1301 PT, B Ph., CF TS	33.2	34.7	
	TL-1301,Wood Pole Line Management 2016	166.7	174.9	
	TL-1301,Wood Pole Line Management 2016	75.8	79.5	
	LAND, ADJACENT TO STN, WABTS	464.1	464.1	
	Pole Structures - CIAC	(1,047.2)	-	
	TL-1301,DE Structures	1,043.2	1,094.4	
		2016 Sub-Total	2,621.6	4,100.6
	2017	Replace Instrument Transformers	381.6	391.9
		Replace Recloser - WAB	195.8	199.2
Upgrade Circuit Breakers - 2017		5,904.3	5,989.4	
Upgrade Terminal Station - Wabush		2,546.2	2,585.3	
	2017 Sub-Total	9,027.9	9,165.8	
2018	Project Proposal - Interconnect MFA to HVY	11,721.5	23,513.9	
	Replace Instrument Transformers - Various Sites	40.1	80.3	
	Replace Insulators - Various Sites	349.4	700.7	
	Upgrade Circuit Breakers - 2018	1,671.4	3,349.8	
	Upgrade Power Transformers - Various Sites	2.2	4.3	
	Upgrade Terminal Station - Wabush 2018	163.3	327.3	
	2018 Sub-Total	13,947.8	27,976.3	
Grand Total		25,597.4	41,242.8	

¹ Average of opening and closing of the net book value of investments included in the calculation of rate base.