

1 Q. **Re: IN-NLH-33, Att. 1**

2 Please present the data in lines 4, 7 and 14 as a percentage of total values for Net  
3 Plant in Service, Net Book Value, and Total Revenue Requirements, respectively.

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6 A. The data provided in the response to IN-NLH-033 represents estimates of the  
7 incremental annual impacts of forecast capital expenditures on revenue  
8 requirement. [ ]

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10 IN-NLH-179 Attachment 1 provides the data in lines 4, 7 and 14 expressed as a  
11 percentage of the total values as requested, for the current 2016, 2017, and 2018  
12 forecasts.

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14 [ ]

Newfoundland and Labrador Hydro  
Capital Expenditure Rate Implications (\$000s)

Line No	A	B	C	Reference
	2016	2017	2018	
1 Forecast Capital Expenditures	313,640	223,374	169,708	
2 230 kV Transmission line Bay d'Espoir to Western Avalon - In service date 2018	(77,226)	(110,064)	208,668	
3 Lab West Transmission line - In service date 2016	200,629			
4 <b>Net Plant in Service Available for Equity Return</b>	<b>437,044</b>	<b>113,310</b>	<b>378,376</b>	
<b>Total Net Plant in Service Available for Equity Return</b>	<b>1,996,191</b>	<b>2,103,801</b>	<b>2,512,271</b>	
<b>% of Total</b>	<b>21.9%</b>	<b>5.4%</b>	<b>15.1%</b>	
5 Annual Depreciation Expense Estimate	11,539	8,081	6,033	
6 Current year Depreciation Expense Estimate	5,770	15,580	22,637	Line 5 from prior years plus one-half Line 5 for current year
7 <b>Net Book Value for Forecast Capital Expenditures</b>	<b>431,274</b>	<b>97,730</b>	<b>355,739</b>	Line 4 - Line 6
<b>Total Net Book Value</b>	<b>1,688,861</b>	<b>1,728,836</b>	<b>2,062,793</b>	
<b>% of Total</b>	<b>25.5%</b>	<b>5.7%</b>	<b>17.2%</b>	
8 <b>Average Change to Rate Base</b>	215,637	480,139	706,873	Line 7 from prior years plus one-half Line 7 for current year
9 Return on Rate Base - Debt Component	4.938%	4.938%	4.938%	2015 Test Year
10 Return on Rate Base - Equity Component	1.879%	1.879%	1.879%	2015 Test Year
<b>Revenue Requirement Impacts</b>				
11 Return on Debt	10,648	23,709	34,905	Line 8 x Line 9
12 Return on Equity	4,053	9,024	13,285	Line 8 x Line 10
13 Annual Depreciation Expense Estimate	5,770	15,580	22,637	Line 6
14 <b>Total Revenue Requirement Impacts</b>	<b>20,471</b>	<b>48,313</b>	<b>70,827</b>	Lines 11 to 13
<b>Total Revenue Requirement</b>	<b>667,421</b>	<b>649,368</b>	<b>N/A</b>	
<b>% of Total</b>	<b>3.1%</b>	<b>7.4%</b>		

1) Assumes all assets come in service in given year other than the exceptions noted.