

1 Q. **Reference: RFI V-NLH-083 Specific Assigned Charge**

2 In the response to V-NLH-083, Hydro states that the information requested “ *is*
3 *onerous and cannot be completed within the time frame for the proceeding*”. In a
4 recent status report, Hydro stated this RFI does not need to be updated. Please
5 explain the steps that would be required to provide a 2015 test year cost of service
6 with the original costs restated in 2015 dollars.

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9 A. For the purpose of determining specifically assigned transmission charges based on
10 original plant costs trended to 2015 dollars, the steps that would be required
11 would, in general, be as follows:

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13 (i) Obtain a list of transmission asset records with associated in-service dates
14 and original cost values from inception to the end of 2015 from the sub-
15 ledger system and import into Microsoft Excel;

16 (ii) Group asset records into categories that are conducive to indexing using
17 Handy-Whitman indices. For example, the asset records for the
18 Transmission function, would be assigned to specific categories such as:
19 Substation or Terminal Station Equipment, Towers and Fixtures, Poles and
20 Fixtures, Overhead Conductors and Devices, Underground Conduit and
21 Conductors;

22 (iii) Apply indices to calculate the average of 2014 and 2015¹ trended original
23 costs for each category; and

24 (iv) Import trended average original costs calculated using Microsoft Excel into
25 2015 Cost of Service using methodology to be determined.

¹ As of the time of responding to this Request for Information, the *Handy-Whitman Index of Public Utility Construction Costs* is only updated through July 1, 2014. The next update is expected to be published in May or June 2015.