

1 Q. AROs - provide status of implementing the ARO reporting pursuant to P.U. 29
2 (2012). Provide the calculation of all AROs and the proposed regulatory treatment
3 of the ARO amounts.

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6 A. • Status of implementing the ARO reporting pursuant to P.U. 29 (2012):
7 Please refer to CA-NLH-139 (a) for status of implementing the ARO reporting
8 pursuant to Board Order No. P.U. 29(2012).

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- Calculation of all AROs:

Please refer to NP-NLH-091 Attachment 1.

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- Proposed regulatory treatment of the ARO amounts:

14 Hydro proposes to recover, through its revenue requirement, the accretion and
15 depreciation costs (see Table 1 below) leading up to the decommissioning of the
16 assets. As there are no external financing costs (debt or equity) that must be
17 recovered as a result of the creation of the ARO, Hydro also proposes that the
18 ARO be excluded from rate base.

Table 1: Revenue Requirement Impacts (\$000s)

	2010	2011	2012	2013	2014	2015
Holyrood Depreciation	-	1,149	1,980	2,218	2,213	2,213
Holyrood Accretion	-	468	648	776	804	834
PCB Depreciation	-	-	64	62	60	60
PCB Accretion	-	-	68	67	61	57
Total Revenue Requirement Impact	-	1,617	2,760	3,123	3,138	3,164