

1 Q. Please provide and explain the impacts of insurance proceeds, insurance
2 deductibles, and any other adjustments of 2014 actual capital expenditures,
3 operating costs, income statement, and rate base associated with Sunnyside
4 Replacement Equipment.

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7 A. Please see PR-PUB-NLH-153 Attachment 1 (Revision 1).

	Sunnyside 2014 Actuals (\$millions)	
Insurance Proceeds Receivable Summary		
Capital expenditures	5.1	
Operating Costs (O&M)	0.7	
Total Expenditures	<u>5.8</u>	
Less Non-Insurable Expenditures	(0.8)	
Less Deductible	<u>(2.0)</u>	
Insurance Proceeds Receivable	<u><u>3.0</u></u>	
 Insurance Proceeds Summary		
Proceeds - Income Statement	1.2	Note 2
Proceeds - Capital Assets	<u>1.8</u>	Note 1
	<u><u>3.0</u></u>	
 Income Statement Summary		
Operating Costs - Excluding Transportation Costs	0.7	Note 2
Operating Costs - Transportation Costs	0.8	
Depreciation & Removal Costs	0.1	
Loss on Disposal	<u>0.5</u>	Note 2
	2.1	
Insurance Proceeds - Income Statement	<u>(1.2)</u>	
Net Income	<u><u>0.9</u></u>	
 Capital Asset Summary		
Capital Expenditures	5.1	
Insurance Proceeds	<u>(1.8)</u>	Note 1
2014 Capital Assets	<u>3.3</u>	
2013 Capital Assets	-	
2014 Average Rate Base	<u><u>1.7</u></u>	

Note 1: As per Board Order No. P.U. 13(2012) "Hydro shall record net insurance proceeds associated with capital projects of \$50,000 or more as an offset against the cost of capital assets and as a reduction of the rate base value of those assets." For Sunnyside, \$1.8M was offset against Capital Assets.

Note 2: This is related to approx. \$0.7M in operating costs and \$0.5M in loss on disposal of which Hydro received a corresponding \$1.2 million in insurance proceeds.