

1 **Q. Re: Hydro Plant Production Increase, Schedule B, Pages 4, 5 and 6 of 93**

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3 **Why does Newfoundland Power use different durations for the New Chelsea and**
4 **Pittmans Pond projects as regards to estimating the levelized cost of energy (50**
5 **years and 25 years respectively)?**

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7 A. Newfoundland Power uses a 50 year study period for estimating the levelized cost of
8 energy for hydro plant production increase projects.

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10 Schedule B, page 5 of 93, incorrectly states the study period as 25 years. The report at
11 Tab 1.4 titled *Pitmans Pond Hydro Plant Refurbishment June 2012*, at pages 1, 10, and
12 A-2 correctly states the study period as 50 years. The present worth analysis in
13 Attachment C of the report also shows the 50 year study period from 2013 to 2062 is
14 used.