IN THE MATTER OF the
Public Utilities Act, RSNL 1990,
Chapter P-47 (the *Act*) as amended; and

IN THE MATTER OF a general rate
Application (the "Application")
by Newfoundland Power Inc.
("Newfoundland Power") to establish
Customer electricity rates for 2013 and 2014.

Requests for Information by The Consumer Advocate

CA-NP-01 to CA-NP-122

October 12, 2012

CA-NP-01 **[ELG]** – Please state whether the Company's reliance on the ELG calculation procedure for depreciation purposes is mandatory or optional. To the extent optional, please provide all support and justification for selecting the ELG calculation procedure.

CA-NP-02 **[ELG]** – Please state why the Company elected not to file testimony or a report in Newfoundland & Labrador Hydro's depreciation application that challenged its use of the average life group ("ALG") calculation procedure.

CA-NP-03 **[ELG]** – Please provide the Company's depreciation request based on an ALG calculation procedure rather than the proposed ELG calculation procedure. The information should be provided by account and/or subaccount.

CA-NP-04 **[ELG]** – Please explain and justify why Gannett Fleming is relying on an ALG calculation procedure for Newfoundland & Labrador Hydro while supporting the ELG procedure for the Company in this proceeding.

CA-NP-05 **[ELG]** – Please state whether the ELG calculation procedure resulted in a higher depreciation expense requests in this proceeding. Further, identify the amount by account or subaccount. Finally, to the extent the Company denies that the ELG calculation procedure results in a higher annual depreciation expense rather than reliance on the ALG calculation procedure, provide all support and justification for such position.

CA-NP-06 **[ELG]** – Please state whether the ALG calculation procedure is utilized by the majority of energy utility companies in North America or if the ELG calculation procedure is utilized by more energy utilities. Further, provide all support and justification for the response.

CA-NP-07 **[ELG]** – Please state whether the actual retirement pattern exhibited by the Company's historical data for each account precisely follows the assumed annual retirement patterns reflected in the ELG calculation procedure. To the extent the Company believes that the historical retirements in fact followed a precise ELG-based pattern, provide the actual expected retirements based on ELG parameters reflected in the existing rates from the time the existing rates went into effect through the current time period in comparison to the actual retirement activity that occurred by vintage for each year for each account or subaccount during the same period of time.

CA-NP-08 **[ELG]** – Please state whether the ELG proposed depreciation rates are in fact accurate as of 2012. In other words, are the annual age relationships reflected in the ELG calculation procedure developed on plant as of December 31, 2010 accurate as of the present time period or whether the passage of time has already caused each ELG-based depreciation rate to be no longer precisely accurate for plant in 2012 or 2013.To the extent the Company believes that the ELG-based calculations are precisely accurate for the investments in each account as of the current time period or when rates will go into effect, please provide all support, justification, and documentation associated with such position (the request does not seek whether the ELG calculation rates were accurate as of the end of

the depreciation test period, but whether the assumed relationships between vintage balances and expected retirements is still precisely the same as each vintage is now more than a year and a half older than it was at the time of the end of the depreciation test period.)

CA-NP-09 **[ELG]** – For each account or subaccount, please identify the number of years into the future that the ELG calculation procedure has assumed plant will last for calculating the resulting ELG depreciation rate for each account or subaccount. Further, provide the underlying support for such response.

CA-NP-10 **[ELG]** – Please state whether the Company's accumulated provision for depreciation is based on an ELG reserve basis and if not, why not.

CA-NP-11 **[ELG]** – Please state whether the Company's proposed net salvage values have been developed on an equivalent precise age relationship as reflected in the ELG calculation for calculating the life portion of the Company's depreciation request.

CA-NP-12 **[ELG]** – Please provide the detailed calculation of each depreciation component (e.g. vintage cost, survivor percentage, probably life, remaining life, etc.) derived through the ELG calculation procedure. The response should include each value by year and the underlying support for each value by year by account or subaccount. The information should be provided on electronic medium in Excel readable format.

CA-NP-13 **[ELG]** – Regarding the statement on page I-3 of the Gannett Fleming study that the equal life group procedure provides a better match of depreciation expense and loss in serve value than the average service life procedure, please provide all support and justification for such statement not based on theoretical assumptions, but rather the actual experience of the Company as exhibited by plant additions and specific retirements of those plant additions over time. The response should specifically identify the expected level of ELG-related retirements by year

subsequent to the plant additions being placed into service and the ELG assumed level of retirement that would occur for the same vintage addition for the same annual time periods, along with the difference between the two values. The information should be provided on electronic medium in Excel readable format.

CA-NP-14 **[Data]** – Please provide all life analysis input by account utilized for life analysis purposes. The information should be provided on electronic medium in Excel readable format along with a detailed description of each field and any characters included in the field in order to permit full understanding of what the values represent.

CA-NP-15 **[Data]** – Please provide a detailed listing of any adjustments made to the input data for life and/or salvage purposes in the depreciation study compared to the actual values reflected on the Company's records. For each change, identify the dollar amount by account or subaccount, as well as the reason for modification along with all support and justification for the modification. The information should be provided both in hard copy and on electronic medium in Excel readable format.

CA-NP-16 **[Data]** – Please provide all input data to the Company's net salvage analysis. The information should be provided on electronic medium in Excel readable format with full identification of all fields and characters contained therein.

CA-NP-17 **[Data]** – Please provide copies of each Gannett Fleming study performed on behalf of the Company since being retained in the 1990s. Further, provide copies of any prior depreciation studies performed by other entities prior to that time frame.

CA-NP-18 **[Data]** – Regarding the statement in the Gannett Fleming study at page I-3 that the service life and salvage estimates were based on judgment, which incorporate various factors, please provide the following:

a. A listing of those accounts where available historical data review was the primary basis for the proposed life or salvage value;
b. A listing of those accounts where a review of policies and outlook with management was the primary basis for life or salvage values;
c. A listing of those accounts where the general knowledge of the electric utility industry was the primary basis for the selection of life or salvage values;
d. A listing of accounts where comparison of service life and salvage estimates from other studies of other electric utilities was the primary basis for the selection of life or salvage values; and
e. A listing of accounts where the Company is not able to discern what the primary basis for the proposed life or salvage values was.

CA-NP-19 **[Reserve]** – Regarding the statement on page I-5 of the Gannett Fleming study that the amortization of the reserve is the industry's most common method of adjusting depreciation, please state whether that particular statement corresponds to the amortization of all reserves over the remaining life of the asset not just the amount associated with the 5% threshold employed by Gannett Fleming in calculating its depreciation reserve amortization. To the extent the response is the proposed approach is the industry standard, provide all support and justification for such position.

CA-NP-20 **[Reserve]** – Please identify whether relying on a 5% threshold for the amortization of reserve difference is an industry standard or whether such approach is in limited use by the industry. To the extent the 5% threshold approach is not widely used, please identify those jurisdictions that do employ such method.

CA-NP-21 **[Production Life]** – For each of the Company's generating units, please provide the following:
a. the MW capacity;
b. the date of installation;

c. the variable O&M cost excluding fuel, by year, for the past 10 years;

d. the availability factor, by year, for the past 10 years;

e. the capacity factor, by year, for the past 10 years;

f. the primary fuel source;

g. the temperature and pressure ratings;

h. the annual heat rate for the past 10 years;

i. a detailed narrative identifying all significant or major system improvements performed during the past 10 years;

j. a detailed narrative identifying and explaining each of the anticipated significant or major capital improvements during the next 10 years;

k. the number of cold starts per year for the past 10 years; and

l. the outage rate per year for the past 10 years.

CA-NP-22 **[Net Salvage]** – Please state if the historical net salvage data (*i.e.*, gross salvage, cost of removal, and retirements) are time-synchronized. If not, please state the longest time frame between the reporting of one component versus another component of a retirement, as well as the average time period for such situations by account.

CA-NP-23 **[Production Net Salvage]** – Please state the Company's intention for the plant site (*i.e.*, the land) if and when the Company retires a generating unit and demolishes the facility. In other words, does the Company plan on retaining it for a future generating station, selling the land, or simply letting it sit idle? Further, provide all support and justification for the position taken in the Company's response.

CA-NP-24 **[Production Net Salvage]** – Please provide the original cost of land for each generating station, as well as the current valuation for property tax purposes or any other purposes. Further, provide the underlying documents that support the Company's response.

CA-NP-25 **[Production Net Salvage]** – Please admit that the land at each of the Company's generating sites has appreciated in value. If the response is to deny, then supply all support and justification for such position.

CA-NP-26 **[Production Net Salvage]** – Does the Company own land currently not in use for which it plans on building future generating stations?

CA-NP-27 **[Production Net Salvage]** – Please identify the type and capacity of Transmission facilities connected to each of the Company's existing generating facilities.

CA-NP-28 **[Decommissioning]** – Please provide all supporting documentation for the assumed salvage value per unit of salvage material, clearly identifying the date at which the price per salvaged component was made and the source. Further, provide the quantity of each type of salvable material by unit and the support for each estimate.

CA-NP-29 **[Decommissioning]** – Regarding each separate productivity factor reflected in the demolition cost estimates, please provide the following:

a. a detailed narrative identifying the underlying specific source of each assumed productivity level (not that they were provided by an engineering consulting firm);

b. all documentation demonstrating how the productivity factor was developed in sufficient detail to permit verification of the calculation and results; and

c. the variance experienced for each separate productivity factor based on analysis of actual demolition project at different locations. If the productivity factors are not based on multiple actual demolition projects, then specifically so state. Further, identify the particular demolition projects that comprise the database for each productivity factor and who performed the demolition activity.

CA-NP-30 **[Decommissioning]** – For each activity envisioned in the decommissioning process, please provide the following:

a. a detailed narrative identifying the activity;

b. all support and justification for the crew mix;

c. the base and fully loaded labor rates for each crew member; and

d. a complete demonstration that the crew mix is the same crew mix reflected in the productivity factors obtained from the engineering consulting firm. To the extent they are not, indentify the differences.

CA-NP-31 **[Production Life]** – Please provide a copy of the Company's two most recent long-term generation resource plans.

CA-NP-32 **[Production Life]** – Please provide a copy of any reports, memos, studies, etc., during the past five years which discussed, identified, etc., future potential retirement of any of the Company's generating facilities. If reports, memos, studies, etc., are only developed based on a level of generation to be retired without any specific reference to a particular unit, then provide the information associated with the generic retirement of production capacity by year.

CA-NP-33 **[Production Life]** – For each plant account or subaccount, and for each generating plant for each plant account by unit or category, please provide the following:

a. the original cost of the investment by year;

b. the current plant balance; and

c. the retirements, transfers, adjustments, etc., from the original cost by year.

The information should be provided both in hard copy and on electronic medium in Excel readable format with all formulas and references intact.

CA-NP-34 **[Life]** – Please provide the numerical output of each observed life table for each account or subaccount in preparation of the depreciation study

on electronic medium in Excel readable format.

CA-NP-35 **[Decommissioning]** – Please identify each generating unit and/or station that the Company is aware of that has been dismantled. For each such unit provide the owner, location of the unit, the year demolished and the related gross and net costs. Further, provide all documents relating to each dismantlement in the Company's possession.

CA-NP-36 **[Decommissioning]** – Please all workpapers, assumptions, considerations and material reviewed and/or relied upon in developing each production plant decommissioning estimate.

CA-NP-37 **[Decommissioning]** – Please provide all support and justification for inflating decommissioning costs to the estimated year of retirement, without discounting the amount back to the present.

CA-NP-38 **[Decommissioning]** – Please provide all support and justification for the assumed inflation level reflected in the decommissioning estimates.

CA-NP-39 **[Data]** – Please provide a copy of all site visit notes associated with any site visits performed by the Company's depreciation consultants, specifically identifying the dates and times associated with the consultant's visual inspection of each specific type of property within the last five years.

CA-NP-40 **[Data]** – Please provide all additions and retirements, both aged and not aged, since the date of inspection on electronic medium in Excel readable format.

CA-NP-41 **[Reserve]** – Please provide the theoretical reserve calculations by account and subaccount where applicable at the end of the depreciation test period along with all workpapers, assumptions, considerations, and materials reviewed and/or relied upon on electronic medium in Excel readable format.

CA-NP-42 **[Reserve]** – Please provide the actual accumulated provision for depreciation by account or subaccount as of the end of the depreciation test period. If the amounts were allocated, then provide the entire analyses associated with the allocation along with a detailed narrative.

CA-NP-43 **[Fully Accrued]** – Please identify each account or subaccount that became fully accrued since the end of the test year in the last rate case. Specifically identify the depreciation related treatment that transpired once the account or subaccount became fully accrued. Further, provide the plant balance corresponding to each such account, by month, beginning with the first month each such account or subaccount became fully accrued. Also, provide the depreciation rate applied to each account or subaccount prior to and immediately after the account or subaccount became fully accrued. The information should be provided both in hard copy and on electronic medium in Excel readable format.

CA-NP-44 **[Net Salvage]** – Please provide the annual dollar amount of overtime, by year and account or subaccount, reflected in the cost of removal amounts in the depreciation study for the past 10 years. Further, identify the premium level of pay associated with such overtime.

CA-NP-45 **[Net Salvage]** – Please provide the annual dollar level of outside contractor pay, by year and account or subaccount, reflected in the cost of removal amount in the depreciation study for the past 10 years. Further, identify the premium level of pay associated with outside contractors compared to in-house personnel.

CA-NP-46 **[Net Salvage]** – Please provide the annual level of expense associated with emergency replacement situations, by account or subaccount, reflected in the cost of removal amounts in the depreciation study for the past 10 years.

CA-NP-47 **[Net Salvage]** – Please provide the gross salvage both with and without

reimbursements, cost of removal, and retirements by year for each account or subaccount for the last ten-year period. The information should be provided in both hard copy and on electronic medium in Excel readable format.

CA-NP-48 **[Net Salvage]** – Please provide the Company's accounting treatment for reuse material. Further, provide all underlying support and justification for the process employed. Finally, provide the level of plant, by account or subaccount, retired and returned to stores during the past 10 years along with the corresponding accounting values for salvage, by year.

CA-NP-49 **[Net Salvage]** – Please identify, by account or subaccount, what portion of the Company's retirements during the past 10 years were associated with replacement activity (*i.e.*, a pole retired and another pole placed in either the same location or the same local vicinity to perform the same function of the retired pole).

CA-NP-50 **[Net Salvage]** - For any sale of utility property since the Company's last fully-litigated rate case, please state whether the gain or loss associated with such sale is contained in the accumulated provision for depreciation. If not, identify the amount by year and account or subaccount associated with the plant retired, and the account the gain or loss was booked in. Further, provide all support and justification for such actions.

CA-NP-51 **[Net Salvage]** – If an item or a plant is retired with a replacement addition occurring and an outside party provides $1,000 associated with the replacement, how is the $1,000 accounted for (*e.g.*, $1,000 gross salvage, $1,000 reduction to replacement addition cost, a 50/50 split of the $1,000, etc.)? Further, please provide full justification for whatever methodology is employed. In addition, identify when the Company first implemented such policy.

CA-NP-52 **[Net Salvage]** – If an item of plant is retired and an outside party provides $1,000 associated with such retirement and no replacement activity

occurs, how is the $1,000 accounted for (*e.g.*, added to gross salvage amount, reduction to the cost of removal, or other method)? Further, please provide all justification for whatever policy is utilized by the Company. In addition, identify when the Company first implemented such policy.

CA-NP-53 **[Net Salvage]** – Does the Company receive any amount from government entities when it is requested to relocate plant due to street widening or other relocation requirements? To the extent the Company does receive any such funds, provide the specific accounting employed by the Company and the basis for such treatment (*e.g.*, booked to the reserve, booked as a credit to plant, etc). Finally, provide the amount received, by year, for the past 10 years, segregated into plant accounts or subaccounts pertaining to the plant either added or retired in association with the relocation.

CA-NP-54 **[Net Salvage]** – Please provide a detailed categorization of the investment within each account or subaccount in the greatest level of detail available beyond the account or subtotal level as of December 31, 2010. The information should be provided in on electronic medium in Excel readable format.

CA-NP-55 **[Net Salvage]** – Please provide a detailed categorization of the retirements by account, by year for the past 10 years into the greatest level of detail available beyond the account or subtotal level along with the corresponding dollar amounts. The information should be provided in on electronic medium in Excel readable format.

CA-NP-56 **[General Plant]** – Please provide a list of the ten largest general plant structures and improvements from a dollar standpoint, along with corresponding dollar amounts. Further, provide a detailed description (not legal description) of the property. The description should include, but not be limited to, the type of construction, the size, and year of construction, current use, current property tax appraisals, or other appraisals and any

plans for retirement of such structure in the future along with support and justification for any planned retirement date.

CA-NP-57 **[Life]** – Please provide all support and justification for each placement band employed for actuarial analysis.

CA-NP-58 **[Life]** – Please provide all support and justification for each experience band employed for actuarial analysis.

CA-NP-59 **[Production Net Salvage]** – Please identify each specific statutory requirement the Company must meet regarding the demolition of its power plants. Further, provide a complete copy of each statute or regulation referenced.

CA-NP-60 **[Net Salvage]** – As it relates to instances where plant is replaced upon retirement and the Company incurs both costs for removal and cost for replacement of the retired asset, please provide a detailed narrative along with all corresponding documentation and support for how the Company determines what portions are assigned to the replacement asset. To the extent the process differs by account or subaccount, or circumstances, provide the information by each separate account or subaccount and/or circumstance and justify why they are treated differently. The response should include all underlying studies, memos, repots, etc. that was relied upon to establish this practice or procedure, and what the practice or procedure was before the change.

CA-NP-61 **[Amortization]** – Please identify the specific amount of general and intangible plant amortization reflected in the Company's revenue requirement request. Further, specifically identify where the Company filing such amount can be identified.

CA-NP-62 **[Account 350.01]** – As it relates to Account 350.01 – Transmission Plant Easements, please identify each easement, ROW, etc. along with the corresponding dollar level of investment that has a specific expiration

date. Further, identify when the easement, ROW, etc. was first obtained and the corresponding expiration date.

CA-NP-63 **[Account 350.01]** – As it relates to Account 350.01 – Transmission Plant Easements, please specifically state any specific plans to retire any given easement, ROW, etc. For each such instance, provide a detailed narrative identifying why the easement is to be retired as well as when the easement is to be retired.

CA-NP-64 **[Account 350.01]** – As it relates to Account 350.01 – Transmission Plant Easements, please state if the Company plans to continue utilizing easements, ROWs, etc. as it replaces investment that sits on the asset. If not, specifically state how the Company plans to provide service at such location as well as why any alternative is more appropriate than continued usage of the existing asset.

CA-NP-65 **[Account 353.1 & .2]** – Please identify the pounds of copper contained in the Company's various conductors or cables booked in Accounts 353.1 and .2.

CA-NP-66 **[Account 355.1 &.2]** – Please identify the number and type of poles and pole fixtures retired by year for the past 10 years for Accounts 355.1 and .2.

CA-NP-67 **[Account 355.1 & .2]** – As it relates to Account 355.1 and .2 – Poles & Pole Fixtures, please provide the following:

a. the number, type and size of wood poles;
b. the number and size of other types of poles;
c. the number and year of addition for each type of pole;
d. the types of preservatives used to treat wood poles and the number of wood poles treated by each type of preservative;
e. the time frame during which each different type of wood preservative was applied to wood poles;
f. the dollar investment of in wood poles segregated between the

types of preservatives applied to poles; and

g. the number of wood and each other type of pole retired by year for the past 10 years.

CA-NP-68 **[Account 355.3]** – As it relates to Account 355.3 - Insulators, please provide the number and size of insulators; period during which each different type of insulator was installed, the reason for changing the type of insulator, and the number of each type of insulator retired by year for the past 10 years.

CA-NP-69 **[Account 361.12 & .13]** – As it relates to Accounts 361.12 and .13, please provide the following information:

a. the quantity of conductor by type on a dollar and linear foot basis;

b. the linear feet by type of overhead conductor retired by year for the past 10 years;

c. the number of linear feet of wire retired without replacement by year for the past 10 years; and

d. a copy of each work order, in which the Company retired more than one linear mile of overhead conductors for each year, during the past 10 years.

CA-NP-70 **[Account 361.2]** – As it relates to Account 361.2, please provide the following information:

a. the quantity of underground cable by type on a dollar and linear foot basis and when each different type of cable was installed;

b. the linear feet by type of underground cable retired by year for the past 10 years;

c. the number of linear feet of underground cable retired without replacement by year for the past 10 years;

d. whether it is the Company's policy to retire the investment in this account in place when possible;

e. the dollar level of retirements by year for the past 10 years that were abandoned in place versus removed; and

f. a copy of each work order, in which the Company retired more

than one linear mile of underground cable for each year, during the past 10 years.

CA-NP-71 **[Account 362.1, .2, & .3]** – As it relates to Account 362.1, .2, and .3 – Distribution Poles And Fixtures, please provide the following:

a. the total number of poles segregated by different types of poles and size;
b. the dollar level of investment in each different type of pole by size;
c. the number of poles by type and size of pole retired by year for the past 10 years both in hard copy and on electronic medium in Excel readable format;
d. the number of poles by type of pole and size added by year for the past 10 years both in hard copy and on electronic medium in Excel readable format;
e. the number of poles by type and size retired by year for the past 10 years that were not replaced; and
f. the number of poles by type and size retired by year for the past 10 years due to storm related activity.

CA-NP-72 **[Account 363]** – As it relates to Account 363 – Street Lights, please provide the following:

a. the quantity and dollar amount by type;
b. the quantity and dollars by type of street light retired by year for the past 10 years;
c. the full and complete basis for the propose ASL along with all supporting documents.

CA-NP-73 **[Account 364.1]** – As it relates to Account 364.1 - Transformers, please provide the following:

a. the different types and sizes and corresponding dollar amount for transformers;
b. the dollar level of retirement by year, by type and size for the past 10 years;
c. the quantity of copper in transformers by type and size; and

d. the number and dollar level of transformers contaminated with hazardous material still in service and retired by year for the past 10 years.

CA-NP-74 **[Account 365.1 &.2]** – As it relates to Accounts 365.1 and .2 – Distribution Services, please provide the following:

a. The number of each type of service;
b. whether it is the Company's policy is to abandon underground service in place when it can;
c. the number of underground services retired by year, for the past 10 years identifying the number abandoned in place and those removed;
d. whether it is the Company's policy is to abandon overhead service in place when it can; and
e. the number of overhead services retired by year, for the past 10 years identifying the number abandoned in place and those removed.

CA-NP-75 **[Data]** – As it relates to the statement that consideration was given to the characteristics of other electric utility properties as referenced on page II-32 of the Gannett Fleming study, please provide the following:

a. each characteristic referenced by account or subaccount; and
b. the impact that each characteristic had on the determination of either life or salvage parameters.

Further, provide all underlying workpapers, assumptions, considerations, material reviewed and relied upon corresponding to the response to any subpart above as it pertains to each characteristic.

CA-NP-76 **[Data]** – As it relates to the statement on page I-3 of the Gannett Fleming study relating to knowledge of service life and salvage estimates used by other electric utilities, please provide the following:

a. an identification of each separate life and/or net salvage parameter for each of the other electric properties, along with the

identity of the source (*e.g.*, a 10-year life was observed for Utilities X and Y, and Utility Z had a 12-year life, etc. using the actual name of the utility);

b. the accounts or subaccounts to which each item of comparative data applied;

c. the identity of the source of the information and a complete copy of the corresponding source;

d. a detailed narrative setting forth why each life and/or salvage estimate from each other electric property were applicable to the Company's specific account to which they were applied; and

e. the impact that each such individual item of knowledge had in the development of each separate life and or salvage parameter.

Further, provide all underlying workpapers, assumptions, considerations, material reviewed and relied upon corresponding to the response to any subpart above as it pertains service life and salvage estimates used by other electric utilities.

CA-NP-77 **[Data]** – Regarding information was obtained through field reviews and discussions with management as referenced on page II-19 of the Gannett Fleming study, please provide the following:

a. the dates of each field trip;

b. the time spent at each facility during each field trip;

c. the specific information obtained by plant account listed in order of most significant to least significant as well as the impact each item of information had in the selection of mortality characteristics; and

d. all underlying support and justification for each information by account.

Further provide all underlying workpapers, assumptions, considerations, material reviewed and/or relied upon in sufficient detail to permit verification of the information provided in the various subparts above.

CA-NP-78 **[Data]** – Please provide a complete copy of the most recent industry surveys associated with depreciation statistics in the possession of the Company and/or its outside consultant who performed the depreciation study. Clearly identify the utility by name and jurisdiction.

CA-NP-79 **[Data]** – Please provide a copy of depreciation related workpapers and electronic files on Excel readable format not specifically requested in any other request for information as it pertains to the topic of depreciation, including all underlying data relied upon for any net salvage or life analyses.

CA-NP-80 **[Data]** – Please provide a copy of all speeches, articles, publications, etc. relating to depreciation developed in total or in part by the Company's outside depreciation consultant during the past five years.

CA-NP-81 **[Data]** – Please provide a copy of each testimony, including rebuttal, submitted by the Company's outside depreciation consultant on the topic of depreciation during the past 10 years. The copies should include all exhibits associated with each testimony including rebuttal testimonies.

CA-NP-82 **[Salvage]** – Please identify each and every factor that the Company and/or its outside depreciation consultant are aware of that affects the level of gross salvage or cost of removal (*e.g.*, inflation, productivity, cost of materials, the scrap market, etc.).

CA-NP-83 **[Data]** – Please identify each Company or outside personnel who had a meaningful or significant input into the establishment of depreciation parameters as reflected in the Company's depreciation request. For each such individual, provide the name, department, job title, type of information provided by account, time frame at which such information was provided, and the basis for relying on such individuals input.

CA-NP-84 **[Life]** – Please provide a detailed narrative for each account, identifying what steps were undertaken to arrive at the proposed average service life

and corresponding dispersion curve. The response should identify specifically what information was relied upon, what life analysis procedure was utilized, including clear identification of experience band, placement band, and intervals, and if the best fitting curve and life combination were not chosen, what other information was specifically relied upon to make modifications in order to establish the actual proposed life parameters. Further, provide all workpapers, assumptions, considerations, and material reviewed and relied upon in sufficient detail to permit replication of the Company's proposed average service life and dispersion curve combination by account.

CA-NP-85 **[Data]** – Please provide the specific plant balances and corresponding depreciation rates utilized by the Company to arrive at the precise depreciation expense level requested in this filing. The information should be provided both in hard copy and on electronic medium in Excel readable format.

CA-NP-86 **[Amortization]** – Please identify all amortization amounts reflected in the Company's filing. For each amortization amount, please specifically provide the following:

a. when it was first initiated;
b. the period of amortization selected;
c. all justification for the period of amortization selected;
d. where in the Company's filing such amounts are reflected; and
e. a detailed description of the investment being amortized.

CA-NP-87 **[Data]** – For each change in average service or dispersion curve between the prior depreciation study and the current depreciation study, provide a detailed narrative explaining what changed between the two studies that resulted in modification to either the average service life or dispersion curve. Finally, provide all workpapers, assumptions, considerations, and material reviewed and relied upon in sufficient detail to permit verification of the information provided.

CA-NP-88 **[Data]** – For each supplementary item of information obtained from operating personnel concerning practices, plans, policies, outlook, etc. as they relate to life or salvage characteristics, please provide the following:

a. a narrative identification of each separate practice, plan, policy, outlook, etc.;

b. the individual from whom each such practice, plan, etc. was obtained;

c. the inquiry made to elicit the input;

d. all underlying data, reports, documents, etc., that address each separate practice, plan, etc.; and

e. the impact each separate practice, plan, etc. had in the development of each depreciation parameter, by account.

CA-NP-89 **[Data]** – Please provide the average age of retired plant by year by account for the past ten years. Further, provide all underlying documentation associated with such calculations. The information should be provided both in hard copy and on electronic medium in Excel readable format.

CA-NP-90 **[Data]** – Please provide all additional bases, evidence, opinions, assumptions, documents, analyses, etc. that either describes, explains, supports, and/or justifies the specific life and salvage parameters proposed for each separate account or subaccount that has not already been provided.

CA-NP-91 **[Life]** – Please identify each account where the historical experience was not indicative of the recommended life characteristics, and the complete basis for such conclusion including all workpapers, assumptions, considerations, and material reviewed and/or relied upon in sufficient detail to permit verification of the basis for each situation.

CA-NP-92 **[Net Salvage]** – Please provide the average per unit price obtained for scrap for each type of material sold, by account, by year for the past 10 years.

CA-NP-93 **[Net Salvage]** – Please provide a copy of any contracts the Company requires associated with the relocation of its facilities at the request of a customer or a governmental entity.

CA-NP-94 **[Production Life]** – Please provide the initial life expectation for each of the Company's generating units as originally reflected in depreciation rates, depreciation studies, etc., at the time each first went into service. Further, provide each subsequent change in life expectancy for each of the Company's generating facilities in subsequent depreciation studies, analyses, etc. Further, provide all underlying reasons for the change in the life span for each generating unit over time, including all underlying workpapers, assumptions, considerations, and material reviewed and/or relied upon in sufficient detail to permit verification of the basis for each change.

CA-NP-95 **[Remaining Life]** – Please provide a detailed narrative along with a corresponding step-by-step example of how the Company calculates remaining life for: (a) mass property accounts where no remaining plant in service exceeds the life depicted by the end of the assumed life/curve combination chosen for life purposes; and (b) where many of the older vintages that are still in service exceed the end of the life/curve combination chosen for life analysis purposes by the Company. Further, provide all support and justification for the Company's calculation procedures.

CA-NP-96 **[Production Life]** – Please state whether the Company believes it provides inferior maintenance for its generating facilities compared to other electric utilities that also operate the same type of generating facilities. If the response is affirmative, identify each and every maintenance practice that the Company employs that it believes is inferior to other electric utility companies. Further, provide all support and justification for such practice.

CA-NP-97 **[Account 397.2]** – Please identify each software system that is still in service, along with the year it was first installed and the cost of each separate system. The response should be provided both in hard copy and on electronic medium in Excel readable format.

CA-NP-98 **[Life span]** – Please provide each item of information relied upon by the Company to support the life spans utilized for each of the Company's generating units in its Depreciation Study. The Company should further provide a detailed narrative identifying how each item of information was relied upon in conjunction with other items of information to arrive at the proposed life spans. Finally, if the information and analysis relied upon by the Company can result in a range of life span values, provide the appropriate range, along with all support and justification for the range, and why the specific point estimator of the range was relied upon.

CA-NP-99 **[Life span]** – To the extent the Company has previously relied upon longer life spans for its generating facilities or buildings than reflected in the current depreciation study, please provide all support and justification for the change in life spans in those instances where the Company now proposes a shorter life span than has previously been recognized by the Company. The explanation for a shorter life span should include all workpapers, assumptions, considerations, and material reviewed and/or relied upon in sufficient detail to permit verification of the reasonableness of the Company's response.

CA-NP-100 **[Data]** – Please identify each separate program initiated within the last 20 years that takes a proactive step towards the inspection and preventative maintenance of the Company's assets. For each such program, identify what activities are performed, which accounts are affected, and how each account is affected. Finally, provide all workpapers, assumptions, considerations, and all material reviewed and/or relied upon in support of the response.

CA-NP-101 **[Data]** – Please provide a copy of each email, correspondence, note, memo, etc. between the Company and Gannett Fleming as it pertains to depreciation matters.

CA-NP-102 **[Account 378.2]** – For each separate pickup truck or window van or other vehicle recorded in Account 378.2, please provide the following:

a. the make and model year;
b. the year purchased;
c. the optional equipment at time of purchase;
d. the cost; and
e. the current number of miles.

CA-NP-103 **[Account 378.2]** – For each vehicle previously recorded in Account 378.2 but which was retired during the past 10 years, please provide the following:

a. the make and model year;
b. the year purchased;
c. the year retired;
d. the optional equipment at time of purchase;
e. the cost;
f. the number of miles at retirement, and
g. the condition of the vehicle (e.g. wrecked, excellent condition, etc.) and the reason for retirement.

CA-NP-104 **[Account 378.3]** – For each separate large trucks with hydraulic derricks or other vehicle recorded in Account 378.3, please provide the following:

a. the model year;
b. the year purchased;
c. the optional equipment at time of purchase;
d. the cost; and
e. the current number of miles.

CA-NP-105 **[Account 378.3]** – For each vehicle previously recorded in Account 378.3 but which was retired during the past 10 years, please provide the following:

a. the model year;
b. the year purchased;
c. the year retired;
d. the optional equipment at time of purchase;
e. the cost;
f. the number of miles at retirement, and
g. the condition of the vehicle (e.g. wrecked, excellent condition, etc.) and the reason for retirement.

CA-NP-106 **[Account 378.4]** – For each separate large trucks with line and stake bodies or other vehicle recorded in Account 378.4, please provide the following:

a. The model year;
b. The year purchased;
c. The optional equipment at time of purchase;
d. The cost; and
e. The current number of miles.

CA-NP-107 **[Account 378.4]** – For each vehicle previously recorded in Account 378.4 but which was retired during the past 10 years, please provide the following:

a. The model year;
b. The year purchased;
c. The year retired;
d. The optional equipment at time of purchase;
e. The cost;
f. The number of miles at retirement; and
g. The condition of the vehicle (e.g. wrecked, excellent condition, etc.)

CA-NP-108 **[Account 379.1]** – Please provide a detailed listing of each different item of hardware recorded in Account 379.1 along with the vendor, the year purchased, the corresponding cost, the specific function, and the current plans for retirement. The information should be provided on electronic medium in Excel readable format.

CA-NP-109 **[Account 323]** – Please provide a detailed description of what was retired and the reason for retirement associated with retirements during age intervals 15.5, 33.5, 38.5, and 43.5 through 49.5 years of age for Account 323 – Canals, Penstocks, Surge Tanks, and Trailraces as set forth on pages A-12 and A-13 of the Gannett Fleming study. Further, specifically support and justify why each of the retirements during these age brackets were considered reasonable and normal for that age, along with all documentation in support of such position.

CA-NP-110 **[Account 326]** – Please provide a detailed explanation of what retired, the reason for retirement, and why such retirements are believed to be typical and normal for such age brackets for retirements recorded in Account 326 – Switching, Metering & Control Equipment for the age brackets 15.5, 16.5, 18,5 and 19.5 years of age as set forth on page A-24 of the Gannett Fleming depreciation study.

CA-NP-111 **[Account 361.2]** – Please provide a detailed narrative explaining why the Company selected a 45R3 life-curve combination for Account 361.2 and 367.2 given the actuarial results set forth on page A-72 of the Gannett Fleming study, specifically explain why a longer life that better matches the observed life table beyond 20 years of age was not selected.

CA-NP-112 **[Account 362.1 and 361.2]** – Please provide a detailed narrative along with all support and justification including documentation associated with the proposed 48R1.5 life-curve combination for Distribution accounts 362.1 and 362.2 – Wood Poles. Further, explain why no actuarial analysis is presented in the Gannett Fleming depreciation study in support of the proposed average service life.

CA-NP-113 **[Account 366.1]** – Please provide a detailed narrative explanation of what caused the magnitude of retirements that occurred at age brackets 11.5 and 12.5 years of age for Account 366.1 – Distribution Watt-Hour Meters as set forth on page A-91 of the Gannett Fleming study. The response should specifically explain and justify why retirements of such magnitude at the equivalent age brackets in the future would be expected to reoccur.

CA-NP-114 **[Net Salvage]** – Please explain and justify the negative $83,609 final salvage for Other Production Plant All Accounts that is recorded in 2003 as set forth on page B-4 of the Gannett Fleming study.

CA-NP-115 **[Account 342]** – Please identify the amount of copper reflected in the Company's substation equipment recorded in Account 342.

CA-NP-116 **[Net Salvage]** – Please explain and justify the negative 128% net salvage recorded for all Transmission accounts in 2009 as set forth on page B-8 of the Gannett Fleming study. The response should explain why such retirements and resulting cost of removal are considered indicative of normal operation. Further, provide all workpapers, assumptions, considerations, and all material reviewed and/or relied upon in sufficient detail to permit verification of the reasonableness of the response.

CA-NP-117 **[Account 361]** – Please explain and justify the negative gross salvage reuse amounts recorded in Accounts 361.1, .11, .14, and .30 during 1991 through 1994 as set forth on page B-10 of the Gannett Fleming study.

CA-NP-118 **[Account 361]** – Please provide a detailed explanation and all corresponding justification for the appreciable increase in negative net salvage for Accounts 361.12, .13, and .15 – Overhead Conductors-Aluminum for the years 2005 through 2009 as set forth on page B-12 of the Gannett Fleming study. The response should include all workpapers, assumptions, considerations, and all material reviewed

and/or relied upon in sufficient detail to permit verification of the reasonableness of the response.

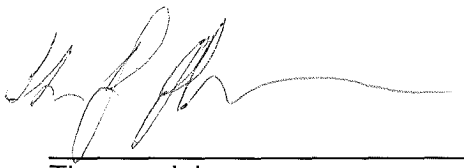
CA-NP-119 **[Account 361]** – Please explain the recording of cost of removal in the years 2003 through 2009 for Account 361.2 and 361.40 – Distribution Underground Cables as set forth on page B-14 of the Gannett Fleming study given that the last retirement reported was in the year 2002.

CA-NP-120 **[Account 365]** – Please segregate the book salvage analysis set forth on page B-25 of the Gannett Fleming study between overhead and underground services.

CA-NP-121 **[Account 371]** – Please identify any buildings sold by the Company during the past 20 years. For each building, identify the original cost, when it was first placed in service, the year retired, the reason for retirement, the sale price, and the gain on sale obtained from any such sale. Further, identify how any gain or loss on previously retired buildings was recorded by account.

CA-NP-122 **[Net Salvage]** – Please provide a full narrative explanation, with all corresponding justification and support, for the adjustments to net salvage in order to be consistent with the new 2011 Company guidelines regarding the allocation of cost of capital projects, an example of which is referenced on page B-54 of the Gannett Fleming study. To the extent the information is different by account or subaccount, provide the information for each different account or subaccount.

Dated at St. John's in the Province of Newfoundland and Labrador, this 12th day of October, 2012.



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