IN THE MATTER OF the *Public Utilities Act*, R.S.N.L. 1990, Chapter P-47, as amended, (the "Act"); 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 Newfoundland Power Inc.

To: Mr. Jacob Pous

NP-CA-30 to NP-CA-49

December 5, 2012

Request for Information
Evidence of Jacob Pous – 2013/2014 General Rate Application

NP-CA-30 In any Canadian regulatory proceeding in which depreciation has been an issue, has Mr. Pous recommended that a utility move from the Equal Life Group ("ELG") procedure to the Average Life Group ("ALG") procedure? For each such proceeding, please list the jurisdiction, utility and date of proceeding, and indicate whether the recommendation was adopted by the regulator.

NP-CA-31 Please provide all testimony submitted by Mr. Pous in the five most recent electric utility rate cases in which he filed testimony and in which the ELG procedure was in issue.

NP-CA-32 How many depreciation studies has Mr. Pous performed in his career with Diversified Utility Consultants, Inc. ("DUC")? In how many of these studies did Mr. Pous recommend the ELG procedure?

NP-CA-33 Please provide a copy of DUC's 3 most recent depreciation study reports for regulatory proceedings in which Mr. Pous has recommended the use of the ELG procedure.

NP-CA-34 Please provide all testimony and exhibits submitted by Mr. Pous in regulatory proceedings in which Mr. Pous either recommended or did not object to the use of the ELG procedure.

NP-CA-35 Page 5, line 30 to Page 6, line 1

In Order No. P.U. 47 (1982), the Board ordered that Newfoundland Power "shall use the unit summation procedure to calculate rates of depreciation for all of [Newfoundland Power's] plant in service with effect from January 1, 1983." In light of that order, please provide an explanation of what Mr. Pous means when he states that the ELG calculation procedure "is not required but rather is an elective alternative".

NP-CA-36 Page 6, footnote 1

Provide the detailed calculation for the reserve amortization reduction for the 7 mass property accounts where adjustments are recommended, clearly indicating how the adjustments calculated on an ALG basis were restated on an ELG basis.

NP-CA-37 Page 9, lines 13 - 14

Please list all Canadian utilities that, to Mr. Pous's knowledge, use the ALG procedure, as well as those that use the ELG procedure.

NP-CA-38 Is the same depreciation model (i.e., survivor curve and frequency curve) used to calculate ELG accrual rates also used to determine the "Average" service life and "Average" remaining life as used in the ALG procedure? If the answer is no, please explain your answer and provide all support, including authoritative sources, for the explanation.

NP-CA-39 Schedule JP-1 pages 1 and 2

Please provide revised pages 1 and 2 of Schedule JP-1 calculated based on the ELG calculation procedure. Please provide this information in electronic format with all formulas intact.

NP-CA-40 Reference: Appendix B, Pages A-7 through A-12.

On page A-12 of Appendix B, Mr. Pous states that shortening the service life from the original estimate "would still result in a magnification of error in an example in which the Company's initial estimate of service life was excessive and then modified for shorter service life under the ELG method as compared to the ALG method."

Please provide all support and justification for this assertion. The response should specifically explain how and why the ELG procedure would have a greater error than the ALG procedure when the initial service life estimate was longer than the actual service life. The response should include any authoritative sources that support this opinion, and should also include examples indicating that the error is in fact larger under the ELG procedure than for the ALG procedure.

NP-CA-41 Reference: Appendix B, Pages A-7 through A-12.

Please provide Tables I through VIII for a scenario in which an average life of 3 years (with ELG's of 2 and 4 years) is first estimated, but then corrected after the first year to an average life of 2 years (with one item lasting 1 year and one item lasting 3 years). That is, please provide the opposite scenario of that presented in Appendix B.

NP-CA-42 Page 25, line 5 to 7

Is the survivor curve data used for the actuarial analysis of Account 355.1 – Transmission Poles based on the combined data for Account 355.10 & 355.20 Transmission Poles and Fixtures provided in *Volume 3, 2010 Depreciation Study,* pages A-54 to A-55.

NP-CA-43 Page 35, line 22 to Page 38, line 2

Please fully explain, with specific reference to Newfoundland Power, how treatment of wood poles should result in a longer expected life for wood poles than is reflected in the Depreciation Study.

NP-CA-44 Page 35, line 22 to Page 38, line 2

Please fully explain, with specific reference to Newfoundland Power, how initiation of inspection programs should result in a longer expected life for wood poles than is reflected in the Depreciation Study.

NP-CA-45 Please provide all work papers related to the estimation of average service lives and dispersion curves, estimation of net salvage parameters and calculation of annual depreciation expense in Mr. Pous's evidence in electronic format with formulas intact.

NP-CA-46 Page 44 line 5 – 7

Please provide the impact of the proposed changes in service life on the basis of the Equal Life Procedure.

NP-CA-47 Page 43, lines 10 - 12

Please provide all information within Mr. Pous's knowledge regarding specific factors used by electric utilities to allocate the cost of replacing services between removal and replacement?

NP-CA-48 Please provide Schedule JP-1 in electronic format with all formulas intact.

NP-CA-49 Please confirm that the final Railroad Commission of Texas order relating to the interim proceeding in which the testimony excerpt attached as Appendix B to Mr.

Pous's evidence was filed (GUD Docket No. 8664, Lone Star Gas Company) provided that the ELG depreciation method used by Lone Star was reasonable and should be retained.

RESPECTFULLY SUBMITTED at St. John's, Newfoundland and Labrador, this 5th day of December, 2012.

NEWFOUNDLAND POWER INC.

Ian F. Kelly, Q.C. and Gerard M. Hayes
Newfoundland Power Inc.
P.O. Box 8910
55 Kenmount Road
St. John's, Newfoundland A1B 3P6

Telephone: (709) 737-5609
Telecopier: (709) 737-2974
Email: ghayes@newfoundlandpower.com