

1 **Q. Please describe the administrative effort and the related cost Mr. Pous believes**
2 **would be required by Newfoundland Power to switch from the ELG to the ALG**
3 **procedure.**

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5 A. Mr. Pous believes that there would be no incremental cost incurred by Newfoundland
6 Power to switch from the ELG to the ALG procedure. Mr. Pous bases his statement on the
7 fact that an individual depreciation rate is applied to an individual plant balance. The
8 Company already has to change depreciation rates in this case no matter if ELG or ALG is
9 adopted. Therefore, no additional effort is required to substitute ALG rates for the new rates
10 adopted in this case.