IN THE MATTER OF the *Electrical Power Control Act*, RSNL, 1994, Chapter E-5.1 (the EPCA) and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the Act) as amended, and their subordinate regulations; and

IN THE MATTER OF an Application by Newfoundland and Labrador Hydro, pursuant to section 68 of the Act, for the approval of changes in depreciation methodology and asset service lives.

Requests for Information by The Consumer Advocate (Revised)

CA-NLH-151, 152, 161, 162, 173 and 235 June 11, 2012

CA-NLH-151	Revised [Account D01 – Dams & Dikes] – Page III-4 of the Gannett Fleming
	2009 depreciation study identifies a plant value of \$351 million for Account D01 $-$
	Dams & Dikes and a corresponding \$1,781,039 of booked depreciation reserve.
	The corresponding values set forth in the 2005 Gannett Fleming depreciation
	study identify a gross plant of \$172 million and \$916,833 of reserve. In addition,
	the Gannett Fleming 2005 Depreciation Study identifies (1) Canals with a gross
	plant level of \$115 million and a corresponding \$261,350 of reserve, (2) Tunnels
	with a gross plant of \$31 million and a corresponding \$1,139 of reserves, (3)
	Draft Tube Liner gross investment of \$400,000 and a corresponding \$53,242 of
	reserve, and (4) Tailrace Channel with a gross investment of \$29 million and a
	corresponding \$35,481 of reserve, each of which appear to have been added in
	to the category of Dams & Dikes in the 2009 study. At this time, please provide a
	continuity schedule from the 2005 gross plant and reserve levels by account that
	CA-NLH-151

- 1are currently reflected in Account D01 Dams & Dikes such that monthly2transactions are identified by type of transaction (e.g. additions, retirements, cost3of removal, gross salvage, transfers, adjustments, etc.). The information should4be provided on electronic medium in Excel readable format.
- CA-NLH-152 Revised [Account D01 Dams & Dikes] Please fully explain and justify why the 6 \$1,781,039 reserve level for Account D01 – Dams & Dikes as set forth on page 7 III-4 of the 2009 Gannett Fleming depreciation study represents an appropriate 8 and realistic value. The response should clearly demonstrate and justify why 9 such a limited value is appropriate, especially given Gannett Fleming's 10 presentation on page IV-53 of its 2009 depreciation study that no retirement 11 activity has been reported for the account and the prior reserve levels in Gannett 12 Fleming's 2005 depreciation study. To the extent reserve values have been 13 reduced due to retirements, transfers, or other transactions, specifically identify 14 such transactions on an annual basis, clearly identifying where such values were 15 transferred or adjusted to, and full justification supporting the adjustments. 16 Finally, provide all historical transactions beginning with the values in the 2005 17 depreciation study that result in the current presentation of only \$1,781,039 of 18 reserve. The response should also identify the applicable depreciation rate 19 applied to the specific gross plant balances by month during the period 20 subsequent to the depreciation test year values presented in the 2005 Gannett 21 Fleming study. The response should also provide all necessary underlying 22 documentation to support the actions taken by the Company to arrive at the \$1.8 23 million value. The information should be provided on electronic medium in Excel 24 readable format. 25
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CA-NLH-161 Revised [Account P03 - Penstock] - Please provide a continuity schedule by 27 28 month for Account P03 – Penstock between the plant value and reserve value set forth in the 2005 Gannett Fleming study to the values set forth in the 2009 29 Gannett Fleming study. The information should be provided on electronic 30 medium in Excel readable format. Further, fully explain and justify the current 31 reserve value in relation to the level reflected in the 2005 Gannett Fleming study. 32 The response should also identify the applicable depreciation rate applied to the 33 specific gross plant balances by month during the period subsequent to the 34

depreciation test year values presented in the 2005 Gannett Fleming study. The information should be provided on electronic medium in Excel readable format.

CA-NLH-162 Revised [Account P03 – Penstock] – Please fully explain, justify and provide all
 underlying documents in support of the justification and explanation as to why the
 reserve for Account P03 – Penstock has increased from \$5.5 million in the 2005
 Gannett Fleming study to a level of \$8,625,533 in the Gannett Fleming 2009
 depreciation study. Specifically address the fact that the Company has identified
 a zero level of retirement activity for this account in its experience band of
 1967-2009 as set forth on page IV-139 of the 2009 depreciation study.

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CA-NLH-173 Revised [Account P10 - Powerhouse] - Please provide a detailed continuity 12 13 schedule identifying all changes to original cost and reserve levels as reported by Gannett Fleming in its 2005 depreciation study for powerhouse investment 14 15 compared to the values set forth for Account P10 - Powerhouse in Gannett 16 Fleming's 2009 depreciation study. Further, provide a specific narrative along with all support, justification and documentation corresponding to the reduction in 17 the reserve level from approximately \$18 million as reflected in the 2005 Gannett 18 19 Fleming depreciation study for powerhouses (including Accounts 547, 549 and 20 551) compared to \$13 million being reported in the 2009 depreciation study. The response should also identify the applicable depreciation rate applied to the 21 22 specific gross plant balances by month during the period subsequent to the 23 depreciation test year values presented in the 2005 Gannett Fleming study. The 24 information should be provided on electronic medium in Excel readable format.

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CA-NLH-235 Revised [Reserve] - Please provide a detailed continuity schedule identifying all 26 changes to original cost and reserve levels as reported by Gannett Fleming in its 27 2005 depreciation study for the accounts listed below compared to the values set 28 forth for the same investment in Gannett Fleming's 2009 depreciation study. The 29 response should also identify the applicable depreciation rate applied to the 30 specific gross plant balances by month during the period subsequent to the 31 32 depreciation test year values presented in the 2005 Gannett Fleming study. The 33 information should be provided on electronic medium in Excel readable format. Further, provide a specific narrative along with all support, justification and 34

 reported in the 2009 depreciation study: a. Account C13 - Conductors, b. Account C18 - Cranes, c. Account G02 - Gates, d. Account G02 - Gates, d. Account I03 - Insulators, e. Account I04 - Intake Structures, f. Account R12 - Right-of-Ways, g. Account R13 - Roads, h. Account R15 - Runners, i. Account T09 - Turbines, and j. Account W01 - Water Regulating Structures. Dated at St. John's in the Province of Newfoundland and Labrador, this 11 th ray of June, 20 Thomas Johnson Consumer Advocate 323 Duckworth Street St. John's, NL A1C SX4 Telephone: (709)726-3524 Facsimile: (709)726-3600 Email: tjohnson@odeaearle.ca	1		docum	entation corresponding to the change in the reserve level values reflected		
 Account C13 - Conductors, Account C18 - Cranes, Account G02 - Gates, Account I03 - Insulators, Account I04 - Intake Structures, Account R12 - Right-of-Ways, Account R13 - Roads, Account R15 - Runners, Account T09 - Turbines, and Account W01 - Water Regulating Structures. 	2		in the 2005 Gannett Fleming depreciation study compared to the values being			
5 a. Account C13 – Conductors, 6 b. Account C18 – Cranes, 7 c. Account G02 – Gates, 8 d. Account I03 – Insulators, 9 e. Account I04 – Intake Structures, 10 f. Account R12 – Right-of-Ways, 11 g. Account R13 – Roads, 12 h. Account T09 – Turbines, and 14 j. Account W01 – Water Regulating Structures. 15 16 17 18 Dated at St. John's in the Province of Newfoundland and Labrador, this 11 th day of June, 20 19 7 20 7 21 7 22 7 23 7 24 323 Duckworth Street 32 32 25 5 32 10 33 10 34 10 35 10 36 10 37 10 38 10 39 11 323 10	3		reported in the 2009 depreciation study:			
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 d. Account 103 – Insulators, e. Account 104 – Intake Structures, f. Account R12 – Right-of-Ways, g. Account R13 – Roads, h. Account R15 – Runners, i. Account T09 – Turbines, and j. Account W01 – Water Regulating Structures. Dated at St. John's in the Province of Newfoundland and Labrador, this 11 th day of June, 20 Thomas Johnson Consumer Advocate 323 Duckworth Street St. John's, NL A1C 5X4 Telephone: (709)726-3524 Facsimile: (709)726-9600 Email: tjohnson@odeaearle.ca	6		b.	Account C18 – Cranes,		
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10 f. Account R12 – Right-of-Ways, 11 g. Account R13 – Roads, 12 h. Account R15 – Runners, 13 i. Account T09 – Turbines, and 14 j. Account W01 – Water Regulating Structures. 15 16 17 18 Dated at St. John's in the Province of Newfoundland and Labrador, this 11 th day of June, 20 19 11 Thomas Johnson 20 20 Thomas Johnson 21 Thomas Johnson Consumer Advocate 23 St. John's NL A1C 5X4 24 St. John's Optice-3524 Facsimile: (709)726-9800 29 Email: tjohnson@odeaearle.ca 23 30 31 32 32	8		d.	Account I03 – Insulators,		
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