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

A. The reduction in reserve level from approximately $18 million as reflected in the 2005 Gannett Fleming depreciation for study for powerhouse compared to $13 million being reported in the 2009 depreciation study is a due to the Holyrood non-synchronous condenser assets not being included in the 2009 depreciation study. The assets that are Holyrood non-synchronous condenser assets are itemized in the continuity schedule found in CA-NLH-173 Attachment 1. The applicable depreciation rate for each asset in Account P10 - Powerhouse can be found in CA-NLH-173 Attachment 2. Since the 2005 Depreciation Study was not implemented, the depreciation rate has not changed so it would be the same for each month.

Continuity Schedule for P10 - Powerhouse

Year	Asset Added	Asset Removed	Asset Description	Service Life in Months	Net Depreciable Cost ($)	Accumulated Depreciation ($)	Comments[1]
2004					**101,984,714**	**(18,162,666)**	**Account Balance**
2005						(209,054)	Depreciation Expense
2005	7256		Cranes And Hoists	48	9,925		Asset Transfer
2005	7283		HRD Main Powerhouse	360	2,842,588		Asset Transfer
2005	60318		Water Level System-Powerhouse	1044	6,769		Asset Transfer
2005	60480		Building - Ph. #2 – BDE	900	6,297,632		Asset Transfer
2005	61126		Building - Powerhouse – HLK	900	6,553,175		Asset Transfer
2005	61169		System - P.A. - Powerhouse - H	900	4,202		Asset Transfer
2005	61819		USL Powerhouse Building	900	12,552,647		Asset Transfer
2005	62460		Building - Powerhouse - Cat	900	11,969,616		Asset Transfer
2005	62999		Powerhouse Building - PRV.	900	1,390,170		Asset Transfer
2005	63286		Water Level Equip. - P.H. No.	1044	6,769		Asset Transfer
2005	300205		Bypass Monitor & Control Equip	900	9,715	(7)	Asset Split
2005	300207		RTU 560 - Bypass	900	23,125	(17)	Asset Split
2005	300208		Fish Comp Gate	900	5,208	(4)	Asset Split
2005	300238		Powerhouse Ventilation	900	49,855	(35)	Asset Split
2005		99000091	Powerhouse Substructure		(2,842,588)		Asset Transfer
2005		99003764	Powerhouse Substructure At Par		(1,390,170)		Asset Transfer
2005		99003821	Powerhouse Substructure		(11,969,616)		Asset Transfer
2005		99003970	Powerhouse Substructure – Upper		(12,552,647)		Asset Transfer
2005		99003994	Powerhouse Superstructure -P.A		(4,202)		Asset Transfer
2005		99004257	Powerhouse Substructure- Hinds		(6,553,175)		Asset Transfer
2005		99005459	Powerhouse Substructure – Stage		(6,297,632)		Asset Transfer
2005		99005473	Boardroom For Dispatch And Open		(3,460)	56	Asset Disposal
2005		99005482	Water Level Instrumentation -		(13,537)		Asset Transfer
2005		99029556	Overhead Crane		(9,925)		Asset Transfer
2005		99041921	Bypass Structure		(1,022,176)	742	Asset Split
2005		99041930	Powerhouse Concrete Structure		(1,294,925)	1,100	Asset Split
2005		99041931	Powerhouse Steel Structure		(290,963)	205	Asset Split
2005					**99,461,093**	**(18,369,681)**	

[1] Please note that previous to 2005, Hydro maintained two sets of plant records, one used by Operations and the other containing financial information. In 2005, there was a review of the fixed asset records resulting in the transfer of the financial information which resulted in Hydro having one set of records. These items are shown as "Asset Transfer". There was also a requirement for a further breakdown of assets which resulted in "Asset Split".

Year	Asset Added	Asset Removed	Asset Description	Service Life in Months	Net Depreciable Cost ($)	Accumulated Depreciation ($)	Comments[1]
2006						(212,147)	Depreciation Expense
2006	304511		GCL-RTU 560 By-Pass Upgrade	900	64,977	(1)	Asset Addition
2006	304512		GCL-HYD. Gates 1&2 Elect Upgrade	900	18,312	(0)	Asset Addition
2006	306443		RTU - 560 / Intake	900	23,150	(25)	Asset Split
2006	306445		Instrumentation/Controls	900	100,000	(106)	Asset Split
2006	99041930		Powerhouse Concrete Structure	900	33,221		Additional Cost Added
2006		99041921	Bypass Structure	900	(300,000)	321	Asset Split
2006					**99,400,754**	**(18,581,640)**	
2007						(216,480)	Depreciation Expense
2007					**99,400,754**	**(18,798,120)**	
2008						(221,664)	Depreciation Expense
2008	324275		Cat Arm Lunchroom -Temp	240	110,786	(830)	Asset Addition
2008					**99,511,539**	**(19,020,614)**	
2009						(222,677)	Depreciation Expense
2009		7256	Cranes And Hoists		(9,925)	9,925	Holyrood Non-Synch Asset
2009		7283	HRD Main Powerhouse		(2,842,588)	2,842,588	Holyrood Non-Synch Asset
2009		99000093	Auxiliary Steam System		(542,922)	454,446	Holyrood Non-Synch Asset
2009		99000108	Install Hoist For Unit #3		(29,410)	23,776	Holyrood Non-Synch Asset
2009		99003542	Costs To Install Complete Tie-		(49,539)	49,539	Holyrood Non-Synch Asset
2009		99021423	Warm Air Makeup System At Holy		(2,707,655)	2,707,655	Holyrood Non-Synch Asset
2009		99031792	Warm Air Make Up System, See P		(148,263)	148,263	Holyrood Non-Synch Asset
2009					**93,181,236**	**(13,007,098)**	

Asset Number	Description	Asset Cost Object	Depreciation Start Date	Depreciation Method	Depreciation Percentage	Service Life in Months	Net Depreciable Cost ($)	Accumulated Depreciation ($)	2009 Depreciation Expense ($)
60318	Water Level System-Powerhouse	1007	12/22/1989	Sinking Fund	11.01	1044	**6,769**	**(4)**	**0**
60480	Building - PH. #2 - BDE	1007	1/1/1978	Sinking Fund	10.00	900	**6,297,632**	**(83,440)**	**8,250**
61126	Building - Powerhouse - HLK	1007	12/12/1980	Sinking Fund	11.00	900	**6,553,175**	**(41,177)**	**4,455**
61169	System - P.A. - Powerhouse - H	1007	5/7/1981	Sinking Fund	13.00	900	**4,202**	**(10)**	**1**
61819	Building - USL Powerhouse	1007	1/21/1983	Sinking Fund	12.47	900	**12,552,647**	**(31,416)**	**3,799**
62460	Building - Powerhouse – CAT	1007	8/2/1985	Sinking Fund	14.10	900	**11,969,616**	**(9,644)**	**1,304**
62999	Powerhouse Building - PRV.	1007	3/9/1989	Sinking Fund	9.61	900	**1,390,170**	**(6,732)**	**711**
63286	Water Level Equip. - P.H. No.	1007	12/22/1989	Sinking Fund	11.01	1044	**6,769**	**(4)**	**0**
300205	Control/Monit B.P. Structure	1007	7/1/2003	Sinking Fund	7.57	900	**9,715**	**(21)**	**4**
300207	RTU 560 – Bypass	1007	7/1/2003	Sinking Fund	7.57	900	**23,125**	**(51)**	**10**
300208	Fish Comp Gate	1007	7/1/2003	Sinking Fund	7.57	900	**5,208**	**(11)**	**2**
300238	Powerhouse Ventilation	1007	7/1/2003	Sinking Fund	7.57	900	**49,855**	**(108)**	**21**
304511	GCL-RTU 560 By-Pass Upgrade	1007	12/1/2006	Sinking Fund	7.57	900	**64,977**	**(60)**	**21**
304512	GCL-Hyd.Gates 1&2 Elect Upgrade	1007	12/1/2006	Sinking Fund	7.57	900	**18,312**	**(17)**	**6**
306443	RTU - 560 / Intake	1007	7/1/2003	Sinking Fund	7.57	900	**23,150**	**(49)**	**10**
306445	Instrumentation/Controls	1007	7/1/2003	Sinking Fund	7.57	900	**100,000**	**(210)**	**42**
324275	Cat Arm Lunchroom –Temp	1007	9/12/2008	Sinking Fund	7.28	240	**110,786**	**(3,443)**	**2,613**
99003765	Powerhouse Superstructure At P	1007	3/9/1989	Sinking Fund	9.61	900	**971,793**	**(4,706)**	**497**
99003823	Superstructure	1007	8/2/1985	Sinking Fund	14.10	900	**5,980,146**	**(4,818)**	**651**
99003971	Powerhouse Superstructure – UP	1007	1/21/1983	Sinking Fund	12.47	900	**4,044,673**	**(10,123)**	**1,224**
99004244	Powerhouse Superstructure – AD	1007	9/18/1981	Sinking Fund	13.00	900	**2,178**	**(5)**	**1**
99004254	Powerhouse Superstructure- HIN	1007	12/12/1980	Sinking Fund	11.00	900	**1,272,011**	**(7,993)**	**865**
99005446	Powerhouse Substructure – Stage	1007	1/1/1967	Sinking Fund	5.25	900	**2,285,403**	**(502,698)**	**20,935**
99005449	Powerhouse Substructure – Stage	1007	1/1/1970	Sinking Fund	8.00	900	**2,413,680**	**(142,403)**	**11,382**
99005462	Powerhouse Substructure –Stage	1007	11/13/1983	Sinking Fund	10.00	900	**488,521**	**(3,498)**	**358**
99005464	Concrete Modifications – Power	1007	6/7/1991	Sinking Fund	11.70	732	**6,811**	**(43)**	**5**
99005467	Powerhouse Superstructure – St	1007	1/1/1967	Sinking Fund	5.25	900	**668,118**	**(114,081)**	**6,506**
99005468	Powerhouse Superstructure – St	1007	1/1/1970	Sinking Fund	8.00	900	**373,000**	**(22,006)**	**1,759**
99005469	Powerhouse Superstructure – St	1007	1/1/1978	Sinking Fund	10.00	900	**1,083,475**	**(14,356)**	**1,419**
99005470	Additional Cost Incurred To Po	1007	1/1/1970	Sinking Fund	8.00	900	**26,818**	**(1,582)**	**126**
99005471	Powerhouse Superstructure (Add	1007	1/1/1981	Sinking Fund	10.00	732	**219,317**	**(8,574)**	**861**
99005472	Powerhouse Superstructure(Addt	1007	4/1/1981	Sinking Fund	12.50	732	**13,990**	**(247)**	**30**
99005476	Relocate Mech. & Elec. Shop To	1007	6/10/1983	Sinking Fund	15.19	240	**37,529**	**(37,529)**	**0**
99005477	Duct Work Modification To Gene	1007	8/31/1984	Sinking Fund	14.39	600	**16,138**	**(467)**	**64**

Asset Number	Description	Asset Cost Object	Depreciation Start Date	Depreciation Method	Depreciation Percentage	Service Life in Months	Net Depreciable Cost ($)	Accumulated Depreciation ($)	2009 Depreciation Expense ($)
99005479	Upgrade Maintenance Planning/C	1007	8/5/1986	Sinking Fund	9.77	672	**10,005**	**(379)**	**39**
99005480	Headphones & Communication Set	1007	12/30/1987	Sinking Fund	9.30	108	**7,000**	**(7,000)**	**0**
99005481	Lunchroom Facilities – Maintenance	1007	12/25/1987	Sinking Fund	9.22	660	**51,178**	**(2,176)**	**220**
99023588	Air Condition System For BDE P	1007	1/27/1994	Sinking Fund	10.34	600	**21,398**	**(525)**	**64**
99031005	Horizontal Safety Lifeline For	1007	2/28/1997	Sinking Fund	9.26	240	**7,275**	**(3,127)**	**1,515**
99032148	Powerhouse Superstructure(Addt	1007	11/17/1981	Sinking Fund	13.00	732	**2,161**	**(30)**	**4**
99032149	Powerhouse Superstructure(Addi	1007	2/16/1981	Sinking Fund	12.50	732	**4,980**	**(90)**	**11**
99032450	Horizontal Lifeline	1007	1/7/1998	Sinking Fund	9.09	300	**5,168**	**(1,178)**	**154**
99032451	Horizontal Lifeline	1007	1/1/1998	Sinking Fund	9.14	300	**4,395**	**(997)**	**131**
99041921	Bypass Structure	1007	7/1/2003	Sinking Fund	7.57	900	**1,961,768**	**(4,380)**	**814**
99041930	Powerhouse Concrete Structure	1007	7/1/2003	Sinking Fund	7.57	900	**10,679,134**	**(23,637)**	**4,432**
99041931	Powerhouse Steel Structure	1007	7/1/2003	Sinking Fund	7.57	900	**7,997,657**	**(17,551)**	**3,319**
99000088	Air Conditioning Ventilation	1011	12/24/1987	Straight Line	0.00	168	**86,528**	**(86,528)**	**0**
99000092	Powerhouse Substructure Stage	1011	1/1/1980	Straight Line	0.00	480	**2,120,729**	**(1,806,547)**	**31,418**
99000116	Install Powerhouse Superstructure	1011	4/2/1971	Straight Line	0.00	360	**3,591,078**	**(3,591,078)**	**0**
99000117	Powerhouse Superstructure Stage	1011	1/1/1976	Straight Line	0.00	528	**5,000**	**(4,630)**	**37**
99000118	Improve Machine Shop And Office	1011	11/24/1980	Straight Line	0.00	470	**30,244**	**(25,297)**	**495**
99000119	Install Powerhouse Superstructure	1011	1/1/1980	Straight Line	0.00	480	**6,210,370**	**(5,290,315)**	**92,005**
99000120	Additional Costs For Machine S	1011	1/1/1980	Straight Line	0.00	480	**844,266**	**(719,189)**	**12,508**
99000121	To Meet Additional Generating C	1011	1/1/1980	Straight Line	0.00	480	**9,595**	**(8,173)**	**142**
99000122	Enlarge Engineering Office And	1011	7/1/1985	Straight Line	0.00	414	**25,070**	**(20,718)**	**435**
99000123	Build 1 Office And 1 Lunchroom	1011	12/1/1982	Straight Line	0.00	228	**15,507**	**(15,507)**	**0**
99000126	Replacement Of Windows And Rep	1011	11/30/1987	Straight Line	0.00	144	**74,744**	**(74,744)**	**0**
99000127	Centralized D.C. Emergency LIG	1011	9/15/1988	Straight Line	0.00	132	**31,616**	**(31,616)**	**0**
99000128	Provide A Workshop Cleaning AR	1011	12/21/1988	Straight Line	0.00	144	**20,925**	**(20,925)**	**0**
99000129	Replace Water Cooled Air Conditioning	1011	6/30/1989	Straight Line	0.00	367	**32,030**	**(25,432)**	**660**
99000130	Replace Water Cooled Air Conditioning	1011	6/30/1989	Straight Line	0.00	132	**32,030**	**(32,030)**	**0**
99000131	Replace Water Cooled Air Conditioning	1011	6/30/1989	Straight Line	0.00	132	**32,030**	**(32,030)**	**0**
99000132	Preliminary Engineering Work E	1011	6/30/1989	Straight Line	0.00	120	**3,555**	**(3,555)**	**0**
99000133	Install A Duct Heater To Maint.	1011	5/16/1990	Straight Line	0.00	356	**8,467**	**(6,652)**	**182**
99000134	Emergency Lighting System	1011	5/16/1990	Straight Line	0.00	120	**30,395**	**(30,395)**	**0**
99003543	Workshop Roof Coating	1011	9/20/1991	Straight Line	0.00	340	**4,107**	**(3,066)**	**104**
99024409	Modifications To Powerhouse Su	1011	10/31/1994	Straight Line	0.00	303	**23,482**	**(16,742)**	**674**
99036223	Wet Sprinkler System	1011	11/30/2000	Straight Line	0.00	240	**107,639**	**(49,334)**	**5,382**

Asset Number	Description	Asset Cost Object	Depreciation Start Date	Depreciation Method	Depreciation Percentage	Service Life in Months	Net Depreciable Cost ($)	Accumulated Depreciation ($)	2009 Depreciation Expense ($)
							93,181,236	(13,007,098)	222,677