

1 Q. Depreciation Methodology

2 In the Depreciation Methodology Evidence, Appendix A, page A-1, it is stated that
3 the Holyrood thermal generation assets not required after the Labrador
4 interconnection are not included in the study. It is further stated that those assets
5 have service lives ending in 2020.

6 Please describe how dismantling costs and salvage associated with the retirement
7 of the Holyrood thermal generation assets will be accounted for.

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10 A. A provision for the dismantling and salvage costs related to the Holyrood thermal
11 generation assets not required after the Labrador Interconnection was recorded in
12 2011, against which the actual costs will be applied when incurred. An application
13 related to these Asset Retirement Obligations will be separately filed with the
14 Board. These Asset Retirement Obligations have not been included in the
15 Depreciation Study.