

1 Q. **Reference: Supply Cost Accounting Application, paragraph 34.**

2 For depreciation expense related to Holyrood TGS, please provide a reconciliation of the amount
3 included in the 2019 test year to the 2022 forecast amount. Please separately identify the
4 increases related to (i) continued investment, without accelerated treatment and (ii) the
5 increase due to accelerated treatment.

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8 A. (i) Newfoundland and Labrador Hydro has depreciation rates for the Holyrood Thermal
9 Generating Station using accelerated treatment only and, accordingly, is unable to identify
10 increases related to continued investment without accelerated treatment.

11 (ii) Please refer to NP-NLH-015, Attachment 1.

| | 2022 (\$ Millions) |
|--|-------------------------------------|
| Asset Depreciation Expense Accelerated Treatment in 2019 Test Year | 5.5 |
| Reclassified Assets ¹ | 3.5 |
| Continued Investment: | |
| 2019 | 1.6 |
| 2020 | 4.0 |
| 2021 | 8.9 |
| 2022 ² | 8.8 |
| | <u>32.2</u> |

¹ Additional Holyrood assets identified requiring accelerated depreciation - Pre-2019 Assets.

² Assumed to be fully depreciated in single year as the assets would be in service for less than one year.