

Information Systems

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3 **Q. Reference: "2024 Capital Budget Application," Newfoundland Power Inc.,**
4 **June 22, 2023, Supporting Materials, Information Systems: 5.1, apps. A, B,**
5 **and C.**

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7 **The net present value analyses have been prepared over a seven-year period.**
8 **Please confirm the expected life of the software assets that are the subject of**
9 **these analyses.**

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11 A. Newfoundland Power's seven-year period used in its net present value analyses for
12 application enhancement projects reflect both: (i) a 10-year average service life for
13 software assets and (ii) a five-year average service life for computer hardware assets.¹

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15 This approach is used for all application enhancement projects.

¹ See *2019 Depreciation Study*, Mr. John Wiedmayer, Gannett Fleming Valuation and Rate Consultants, LLC, page VI-9, filed as part of the Company's *2022/2023 General Rate Application*.