

1 Q. The response to IC-NLH-036 shows the actual depreciation expense recorded for
2 the year 2015. However, the request was for depreciation expense, by account,
3 under the existing approved rates based on plant in service as at December 31,
4 2015. Please indicate if the response as provided accurately yields the depreciation
5 expenses for the plant in service as at December 31, 2015. If not, please provide the
6 answer as requested.

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9 A. This response has been provided by Concentric Advisors.

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11 Please refer to IC-NLH-156, Attachment 1 for existing depreciation expense using
12 the 2015 plant in-service as at December 31, 2015, as provided in Exhibit 11:
13 Depreciation Study, Revision 2, page 50 to 52 of 633. The attachment does not
14 include the Holyhood accounts that are subject to the truncation date of March 31,
15 2021 in the current study as they are calculated on a straight line basis.

NEWFOUNDLAND AND LABRADOR HYDRO
RECOMMENDED VS CURRENT ACCRUAL RATES
RELATED TO PLANT IN SERVICE AS OF DECEMBER 31, 2015

ACCOUNT	ACCOUNT DESCRIPTION	ORIGINAL COST DECEMBER 31, 2015	CURRENT		
			ACCRUAL RATE	ACCRUAL AMOUNT	
A01.	AIRCRAFT LANDING STRIP	475,498	7.51%	35,710	
A04.	AUXILIARY POWER SYSTEMS	6,054,939	4.27%	258,546	
B01.	BATTERY AND POWER SYSTEMS	11,399,996	3.90%	444,600	
B02.	BOILER SYSTEM	23,876,046	2.45%	584,963	
B03.	BOOMS - TIMBER	175,556	0.46%	808	
B04.	BRIDGES	4,254,290	0.63%	26,802	
B05.	BUILDINGS - OTHER	69,176,761	1.25%	864,710	
B06.	BUILDINGS - METAL	34,029,073	0.70%	238,204	
B07.	BUS DUCT GENERATOR	1,456,108	2.36%	34,364	
B08.	BUSWORK AND HARDWARE	7,307,906	2.59%	189,275	
C01.	CABLES - TELECONTROL	2,643,339	0.80%	21,147	
C02.	CABLE - SUBMARINE	8,901,116	1.33%	118,385	
C03.	CABLES - UNDERGROUND	2,837,546	0.97%	27,524	
C04.	CABLES - ABOVE GROUND	10,550,929	1.55%	163,539	
C06.	CAPACITORS	994,744	5.55%	55,208	
C07.	CHEMICAL FEED SYSTEMS	509,132	0.00%	-	Note 1
C09.	CIRCUIT BREAKERS	39,656,672	1.75%	693,992	
C10.	COMPRESSED AIR SYSTEMS	16,666,710	1.61%	268,334	
C11.	COMPUTERS	4,899,775	9.22%	451,759	
C12.	CONDENSERS	125,930	0.00%	-	Note 1
C13.	CONDUCTOR - TRANSMISSION	67,322,774	2.01%	1,353,188	
C14.	CONDUCTOR - DISTRIBUTION	34,320,050	1.29%	442,729	
C15.	CONTROL, METERING, RELAYING	29,645,208	2.89%	856,746	
C16.	COOLING SYSTEMS	10,007,038	1.26%	126,089	
C17.	COUNTERPOISE	3,623,089	2.37%	85,867	
C18.	CRANES	6,902,142	1.94%	133,902	
D01.	DAMS, DYKES, CANALS AND TUNNELS	361,909,256	1.37%	4,958,157	
D02.	DIESEL SYSTEMS AND ENGINES	41,897,351	2.42%	1,013,916	

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			ACCRUAL RATE	ACCRUAL AMOUNT	
D03.	DISCONNECT SWITCHES	20,883,528	2.15%	448,996	
D04.	DYKES AND LINERS	2,477,333	0.47%	11,643	
E01.	ELEVATORS	89,800	0.00%	-	Note 1
E02.	EMS EQUIPMENT	12,917,219	0.10%	12,917	
E03.	ENVIRONMENTAL EQUIPMENT	935,876	2.62%	24,520	
F01.	FALL ARREST EQUIPMENT	2,509,020	11.61%	291,297	
F02.	FENCING	7,555,589	1.06%	80,089	
F03.	FIRE FIGHTING EQUIPMENT	13,906,919	1.27%	176,618	
F04.	FOOTINGS AND FOUNDATIONS	20,413,239	1.73%	353,149	
F05.	FREQUENCY CONVERSION	2,453,577	2.44%	59,867	
F06.	FUEL SYSTEMS	28,513,898	1.11%	316,504	
G01.	GAS TURBINE SYSTEMS	69,325,761	0.88%	610,067	
G02.	GATES	19,048,533	1.71%	325,730	
G03.	GENERATORS	105,132,875	1.50%	1,576,993	
G04.	GENERATOR - WINDINGS	24,614,758	0.32%	78,767	
G05.	GLYCOL SYSTEMS	530,654	0.89%	4,723	
G06.	GOVENORS	7,840,659	3.82%	299,513	
G07.	GROUND WIRE SYSTEM	10,370,352	1.92%	199,111	
I02.	INSTRUMENTATION	5,967,398	3.09%	184,393	
I03.	INSULATORS	41,988,322	3.80%	1,595,556	
I04.	INTAKE STRUCTURES	19,436,445	1.35%	262,392	
I05.	INVERTERS	521,505	2.04%	10,639	
L03.	LAND IMPROVEMENTS	14,196,794	1.46%	207,273	
L04.	LIGHTING SYSTEMS	926,303	1.74%	16,118	
L05.	LIGHTNING ARRESTORS	6,193,610	1.40%	86,711	
L06.	LINE COUPLING EQUIPMENT	11,226	0.00%	-	Note 1
M01.	MAIN BREAKERS	552,940	1.67%	9,234	
M02.	MARINE TERMINAL	3,833,871	0.00%	-	Note 1
M03.	METALCLAD SWITCHGEAR CUB/EQU 4kv/600	2,233,645	2.63%	58,745	
M04.	METER TEST SWITCHES	58,301	2.08%	1,213	

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			ACCRUAL RATE	ACCRUAL AMOUNT
M05.	METERING TANKS	660,416	2.77%	18,294
M06.	METERS - DIGITAL	5,874,668	5.66%	332,506
M07.	METERS - ANALOGUE	698,384	2.98%	20,812
M08.	METERS - OTHER	262,853	5.33%	14,010
M10.	MISCELLANEOUS UNITS OF PROPERTY	25,815,956	5.67%	1,463,765
M11.	MOBILE - A.T.V.'S AND SNOWMOBILES	1,906,739	11.78%	224,614
M12.	MOBILE - AIR COMPRESSOR ATTACHMENT AND BOAT	432,046	1.09%	4,709
M13.	MOBILE - ARGO'S	287,287	1.79%	5,142
M14.	MOBILE - FLEX/FORK/LOAD/GRADE/MUSK/TRAILER	10,581,312	2.08%	220,091
M16.	MULTIPLEX EQUIPMENT	2,812,217	2.28%	64,119
O01.	OFFICE EQUIPMENT	1,286,440	1.47%	18,911
O02.	OFFICE FURNITURE	1,477,990	0.59%	8,720
P01.	P.C.B. STORAGE CONTAINER	42,480	0.75%	319
P02.	PABX - PRIVATE AUTO BRANCH EXCHANGE	1,181,009	2.92%	34,485
P03.	PENSTOCK	58,908,421	1.71%	1,007,334
P04.	POLE CRIBS AND POLE HARDWARE	118,371,156	1.56%	1,846,590
P05.	POLE STRUCTURES - WOOD	129,790,285	2.29%	2,972,198
P06.	POLES - CONCRETE	333,760	4.30%	14,352
P07.	POLES - WOOD	72,604,630	1.99%	1,444,832
P08.	POWER LINE CARRIER	4,971,572	1.63%	81,037
P09.	POWER SYSTEMS	664,592	7.03%	46,721
P10.	POWERHOUSE	93,718,745	1.52%	1,424,525
P11.	PRINTERS	1,038,001	13.96%	144,905
P12.	PROTECTIVE CONTROL AND RELAY PANELS	9,507,129	4.18%	397,398
R01.	RADIO TOWERS (WOOD OR STEEL)	9,759,106	1.21%	118,085
R02.	RADIOS - FIXED MICROWAVE EQUIPMENT	6,212,764	1.94%	120,528
R03.	RADIOS - FIXED UHF EQUIPMENT	101,662	6.13%	6,232
R04.	RADIOS - FIXED VHF EQUIPMENT	560,166	1.30%	7,282
R05.	RADIOS - MOBILE VHF BASE STATION	7,278,664	6.10%	443,998
R06.	RAMPS - YARD STORAGE	1,593,558	2.78%	44,301

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			ACCRUAL RATE	ACCRUAL AMOUNT
R07.	REACTORS AND RESISTORS	1,225,065	3.56%	43,612
R08.	RECLOSERS	7,158,607	1.89%	135,298
R09.	REGULATORS	5,667,640	2.34%	132,623
R11.	REVENUE METERING	1,242,916	4.41%	54,813
R12.	RIGHT-OF-WAYS	21,729,649	1.94%	421,555
R13.	ROADS	84,440,747	2.87%	2,423,449
R14.	ROUTERS AND LAN	2,730,978	7.10%	193,899
R15.	RUNNER	11,669,844	4.95%	577,657
S01.	SCADA EQUIPMENT	4,929,933	2.73%	134,587
S02.	SECTIONALIZERS	154,009	4.04%	6,222
S03.	SERVERS	3,019,204	9.55%	288,334
S04.	SEWAGE DISPOSAL SYSTEM	2,919,319	1.03%	30,069
S05.	SOFTWARE	10,081,799	2.20%	221,800
S06.	SPILLWAY STRUCTURES	28,120,270	1.35%	379,624
S07.	STACKS	7,850,850	1.08%	84,789
S08.	STATIC EXCITATION SYSTEM	8,333,065	2.79%	232,493
S09.	STATIC EXCITATION - TRANSFORMERS	734,327	2.32%	17,036
S10.	STATION SERVICE	5,233,336	4.34%	227,127
S11.	STOP LOGS	3,114,097	2.16%	67,264
S12.	STORAGE PALLETS AND RACKINGS	14,403	0.00%	-
S13.	STORM AND YARD DRAINAGE	1,308,713	0.65%	8,507
S14.	STREET LIGHTS	3,874,989	5.62%	217,774
S15.	STRUCTURAL SUPPORTS (WOOD OR STEEL)	11,677,609	2.46%	287,269
S17.	SUMP SYSTEMS	667,245	2.63%	17,549
S18.	SURGE SYSTEMS	6,972,889	3.15%	219,646
S19.	STATION SWITCHING	11,650,032	1.84%	214,361
S20.	SWITCHING SYSTEMS - L.V.	2,304,609	2.78%	64,068
T01.	TELECONTROL SYSTEM	12,429,279	1.08%	134,236
T02.	TEST EQUIPMENT	1,955,314	0.64%	12,514
T03.	TOOLS AND EQUIPMENT	11,434,328	1.79%	204,674

Note 1

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ACCOUNT	ACCOUNT DESCRIPTION	ORIGINAL COST DECEMBER 31, 2015	CURRENT		
			ACCRUAL RATE	ACCRUAL AMOUNT	
T04.	TOWERS	77,739,424	1.82%	1,414,858	
T05.	TRANSFORMERS - OTHER	89,255,274	1.73%	1,544,116	
T06.	TRANSFORMERS - PAD MOUNT	17,723,652	2.10%	372,197	
T07.	TRANSFORMERS - POLE MOUNTED	37,040,457	3.05%	1,129,734	
T09.	TURBINES	65,159,636	3.23%	2,104,656	
T10.	HOLYROOD GAS TURBINE - COMBUSTOR OVERHAUL	2,206,062	3.23%	71,256	Note 2
T11.	HOLYROOD GAS TURBINE - TURBINE OVERHAUL	2,206,062	3.23%	71,256	Note 2
T12.	HOLYROOD GAS TURBINE - COMBUSTOR OVERHAUL	3,088,487	3.23%	99,758	Note 2
V01.	VACUUM CLEANING SYSTEM	72,451	0.32%	232	
V02.	VALVES - PENSTOCK	7,567,760	1.78%	134,706	
V03.	VEHICLES - 1 TON	51,648	0.00%	-	Note 1
V04.	VEHICLES - 3/4 TON AND UNDER	5,167,170	10.38%	536,352	
V05.	VEHICLES - BOOMS/BODIES/CRANES/CAB/CHASSIS	14,954,546	2.25%	336,477	
V06.	VEHICLES - CARS, STATION WAGONS AND VAN	1,795,372	11.41%	204,852	
V07.	VEHICLES - DUMP TRUCKS	11,535	0.52%	60	
W01.	WATER REGULATING STRUCTURES	22,451,738	1.70%	381,680	
W02.	WATER SUPPLY SYSTEMS	3,394,554	3.81%	129,332	
W03.	WATER SYSTEMS - FEED	6,531,260	0.37%	24,166	
W04.	WATER TREATMENT	11,921,573	1.56%	185,977	
TOTAL (Excluding Holyrood Assets)		2,458,776,655		49,096,567	

Note 1: These accounts did not have an assigned rate from the last depreciation study as they assets in the units of property were fully depreciated.

Note 2: T10, T11 and T12 did not have an assigned rate from the last depreciation study as they were subsequently reclassified out of T09. As a result, the balances have been calculated using the rates in T09 (Turbines).