

1 Q. **Volume 1 (1st Revision), Chapter 4: Finance**

2 Please reconcile any differences between the capital expenditure included in rate
3 base as shown in Schedule 4-II, Page 5 of 9, and the capital expenditure included in
4 Hydro's 2018-2022 Capital Plan filed with the Board on July 27, 2017.

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7 A. Please refer to NP-NLH-091, Attachment 1 for a reconciliation between the capital
8 expenditures included in rate base as showing in Schedule 4-II, Page 5 of 9 and the
9 capital expenditures as filed in Hydro's 2018 Capital Budget Application.

NI Hydro
Capital Cash Flows
(\$,000)

| <u>GRA</u> | <u>CBA</u> |
|-------------|-------------|
| <u>2018</u> | <u>2018</u> |
| 149,384.0 | 146,657.3 |

Differences between GRA and CBA

| <u>P-Number</u> | <u>Capital Proposals</u> | <u>GRA</u> <u>2018</u> | <u>CBA</u> <u>2018</u> | <u>Variance</u> |
|-----------------|---|---------------------------|---------------------------|-----------------|
| P.04084 | Provide Service Extensions - Central | 1,955.0 | 1,825.0 | (130.0) |
| P.04085 | Provide Service Extensions - Northern | 1,575.0 | 1,450.0 | (125.0) |
| P.04086 | Provide Service Extensions - Labrador | 1,740.0 | 1,530.0 | (210.0) |
| P.04087 | Upgrade Distribution Systems - Central | 1,975.0 | 1,985.0 | 10.0 |
| P.04088 | Upgrade Distribution Systems - Northern | 1,100.0 | 950.0 | (150.0) |
| P.04089 | Upgrade Distribution System - Labrador | 695.0 | 845.0 | 150.0 |
| P.04651 | Wood Pole Line Management (2017) | 2,761.9 | 2,722.4 | (39.5) |
| P.04695 | Purchase Meters and Metering Equipment | 199.7 | 199.1 | (0.6) |
| P.04774 | Install Protective Guards in Turbine Pits - BDE & USL | 297.9 | 292.8 | (5.1) |
| P.04780 | Upgrade Cranes and Hoists - HRD | 282.8 | 300.3 | 17.5 |
| P.04781 | Install Plant Heating System - HRD | 3,478.7 | 4,220.0 | 741.3 |
| P.04788 | HWD Electrical Upgrade | 1,243.4 | 0.0 | (1,243.4) |
| P.04790 | Replace Demister - HWD | 150.4 | 0.0 | (150.4) |
| P.04791 | Replace Demister - SVL | 151.5 | 147.5 | (4.0) |
| P.04799 | Replace Instrument Transformers (2018) | 569.3 | 569.4 | 0.1 |
| P.04804 | Upgrade Fault Recorder System for 2018- Various (2018-2022) | 454.0 | 598.5 | 144.5 |
| P.04808 | Upgrade Power Transformers 2018-2019 | 3,290.2 | 3,099.3 | (190.9) |
| P.04809 | Install Breaker Bypass Switches | 1,462.7 | 1,440.9 | (21.8) |
| P.04820 | Recloser Remote Control 2018 | 293.1 | 275.0 | (18.1) |
| P.04821 | Farewell Head Distribution Upgrade 2018 | 501.0 | 493.1 | (7.9) |
| P.04822 | Cartwright Distribution Upgrade 2018 | 471.1 | 464.0 | (7.1) |
| P.04823 | English Harbour West Distribution Upgrade 2018 | 725.9 | 771.5 | 45.6 |
| P.04824 | Rocky Harbour Distribution Upgrade 2018 | 1,058.5 | 1,042.6 | (15.9) |
| P.04836 | MAK - Install Fire Protection | 966.4 | 0.0 | (966.4) |
| P.04837 | POV - Install Fire Protection | 738.1 | 336.4 | (401.7) |
| P.04839 | MAK - Replace Genset Unit 2059 (635 up 910 kW) & Building Expansion | 4,244.0 | 4,703.3 | 459.3 |
| P.04840 | Various - Replace Radiators, Coolant Lines and Valves | 562.6 | 671.6 | 109.0 |
| P.04844 | Replace Control Cable - BDE | 443.2 | 441.9 | (1.3) |
| P.04854 | BIF - Upgrade Fire System | 860.0 | 113.9 | (746.1) |
| P.04859 | Install Diesel Fuel Metering Devices at BDE, PRV, SLK, GCL and VIC | - | 234.1 | 234.1 |
| P.04876 | Replace MDR 6000 Microwave Radio | 1,095.5 | 1,137.0 | 41.5 |
| P.04878 | Replace Powerline Carrier → TL244 & TL256 | 415.1 | 0.0 | (415.1) |
| P.04880 | Replace Vehicles and Aerial Devices - Hydro System - Various | 750.0 | 753.7 | 3.7 |
| P.04881 | Overhaul Turbine/Generator Unit - GCL | - | 549.7 | 549.7 |
| P.04932 | Turbine Hot Gas Path Inspection - HRD CT Project Proposal | 4,288.5 | 4,607.7 | 319.2 |
| P.04940 | Overhaul Unit #2 - CAT | 280.7 | 0.0 | (280.7) |
| P.04943 | Refurbish Generator Rotor | 112.8 | 114.7 | 1.9 |
| P.04946 | Purchase Capital Spares for Hinds Lake | 502.1 | 0.0 | (502.1) |
| P.04965 | Install Fire Protection in 230 kV Stations | 735.4 | 718.4 | (17.0) |
| P.04984 | South Brook Distribution Upgrade 2019 | 49.9 | 50 | 0.1 |
| P.04985 | Hampden Distribution Upgrade 2019 | 33.1 | 33.2 | 0.1 |
| P.04986 | Barchoix Distribution Upgrade 2019 | 44.3 | 44.4 | 0.1 |
| P.04987 | Jacksons Arm Distribution Upgrade 2019 | 33.1 | 33.2 | 0.1 |

| | | | | |
|---------|---|---------|--------|-------------------|
| P.04990 | Cow Head Distribution Upgrade 2019 | 33.1 | 33.2 | 0.1 |
| P.04991 | Bear Cove Distribution Upgrade 2019 | 33.1 | 33.2 | 0.1 |
| P.04992 | Happy Valley Distribution Upgrade 2019 | 33.1 | 33.2 | 0.1 |
| P.04993 | Bottom Waters Distribution Upgrade 2019 | 33.1 | 33.2 | 0.1 |
| P.05022 | Replace Teleprotection (TL259 & TL261) | 89.2 | 0.0 | (89.2) |
| P.05053 | Purchase Capital Spares - Thermal Generation (2019) | 330.1 | 0.0 | (330.1) |
| P.05132 | Refurbish Diesel Plant Building | 617.5 | 0.0 | (617.5) |
| P.05133 | Purchase Mobile DC Power Systems | 820.6 | 695.6 | (125.0) |
| P.05134 | Expand Fuel Storage System HRD CT | 3,117.5 | 0.0 | (3,117.5) |
| P.05135 | Replace Buchans T1 | 3,861.7 | 2086.1 | (1,775.6) |
| P.05136 | Upgrade L23 and L24 - CFL to WAB | 600.0 | 308 | (292.0) |
| P.05139 | Install Remote Control of Salmon River Spillway | 1,046.0 | 1862.5 | 816.5 |
| P.05141 | Replace Condition Monitoring Equipment - BDE | 355.3 | 347.3 | (8.0) |
| P.05145 | Refurbish Bulk Fuel Storage | - | 1450.4 | 1,450.4 |
| P.05146 | CWT and POS Diesel Plant Ventilation Upgrades | 200 | 0.0 | (200.0) |
| P.05147 | Replace Diesel Automation Equipment - Various | 931.7 | 1565.9 | 634.2 |
| P.05151 | Energy Efficiency Improvements - Various | 108.7 | 168.9 | 60.2 |
| P.05153 | Turbine Refurbishment | 2,429.3 | 2590.9 | 161.6 |
| P.05157 | Refurbish Hydraulic Structures | 3,260.0 | 3597.3 | 337.3 |
| P.05158 | HRD CT Demin Water System Internal Expansion | - | 3012.7 | 3,012.7 |
| P.05160 | Perform Grounding Upgrades | 100.0 | 216.8 | 116.8 |
| P.05161 | Refurbish WAB TS | 3,715.0 | 3821 | 106.0 |
| P.05183 | Hydraulic In-Service Failures 2019 | 750.1 | 1250 | 499.9 |
| T.00002 | Replace Demister - HWD | - | 147.3 | 147.3 |
| T.00003 | Upgrade Air intake and Exhaust - HWD | - | 134.5 | 134.5 |
| T.00005 | Replace Unit 3033 - MAK | - | 100 | 100.0 |
| T.00006 | Replace Unit 2039 - SLE | - | 150 | 150.0 |
| T.00007 | In-Service Failures - Thermal | 1,000.2 | 1330 | 329.8 |
| T.00008 | Replace Teleprotection (STA to SDP) - TL261 | - | 459.8 | 459.8 |
| | Total Capital Expenditure Variance | | | (859.8) |
| | CIAC | 390.0 | | (390.0) |
| | Impact of Removals under new methodology | 1,476.9 | | (1,476.9) |
| | Total Presentation Variance | | | (1,866.9) |
| | Total Variances between GRA and CBA | | | (2,726.70) |
| | 2018 Capital Budget Application | | | -2,726.7 |