

1 Q. **Volume II (1<sup>st</sup> Revision), Exhibit 5: Intercompany Transactions Costing Guidelines**  
2 For 2013 to 2019 test year, please provide a breakdown of the charges from Nalcor  
3 to regulated Hydro that can be attributed to recovery of the capital investments of  
4 Nalcor, including return on equity. (Volume II  
5 (1st Revision), Exhibit 5: Intercompany Transactions Costing Guidelines)

6  
7

8 A. Please refer to NP-NLH-130, Attachment 1 for depreciation and amortization  
9 attributable to the recovery of investments of Nalcor. There is no charge for return  
10 on equity or return on rate base.

Table 1 - Depreciation and Amortization Charges from Nalcor (\$)

<b>Particulars (\$000's)</b>	<b>Actual 2016<sup>1</sup></b>	<b>2017 Forecast<sup>2</sup></b>	<b>2018 Test Year</b>	<b>2019 Test Year</b>
<b>Information Systems - Common Asset Depreciation Charge <sup>3</sup></b>				
Printers	-	-	4	12
Software	-	37	304	529
Computers / servers	-	19	228	286
<b>Total Depreciation Charge</b>	<b>-</b>	<b>55</b>	<b>536</b>	<b>827</b>
<b>Business Systems - Common Asset Depreciation Charge <sup>4</sup></b>				
Computers / servers	52	52	52	52
Leasehold Improvements	17	23	23	23
Office Furniture	5	6	6	6
Software	-	741	2760	3129
<b>Total Depreciation Charge</b>	<b>74</b>	<b>822</b>	<b>2841</b>	<b>3210</b>
<b>Business Systems - Hydro specific assets - Depreciation Charge <sup>4</sup></b>				
Software	-	25	100	100
<b>Project costs (amortization of non capital costs) <sup>4</sup></b>				
	-	20	210	318

<sup>1</sup> 2016 was the first year of charges.

<sup>2</sup> 2017 was the first year of charges.

<sup>3</sup> Refer to NP-NLH-028

<sup>4</sup> Refer to NP-NLH-031