

1 Q. Further to response to Request for Information NP-NLH-147:
 2 In Attachment 2, please reconcile the *Original Cost* and *2018 Closing NBV* amounts
 3 with: (i) 2016 capital expenditures approved for Holyrood in Order No. P.U. 33
 4 (2015); (ii) 2017 capital expenditures approved for Holyrood in Order No. P.U. 45
 5 (2016); and proposed capital expenditures for Holyrood included as part of Hydro’s
 6 2018 Capital Budget Application.

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 9 A. Please refer to NP-NLH-225, Attachment 1 which outlines the approval of each
 10 Holyrood Accelerated Asset acquired since December 31, 2015. In addition to the
 11 Board orders noted in the question above, Holyrood assets acquired after
 12 December 31, 2015 were also approved in Order No. P.U. 27(2015) and Order No.
 13 P.U. 19(2016). Note closing net book value is not referenced in either Order No.
 14 P.U. 33(2015), Order No. P.U. 45(2016), or the 2018 Capital Budget Application
 15 (CBA) and therefore cannot be specifically identified within the referenced
 16 approval.

Table 1 Comparison of Budget to Actual Expenditures (\$000s)

Year	Board Order¹	Approved Budget	GRA Costs	Variance
2016	P.U. 27(2015)	756.2	870.3	(114.1)
	P.U. 33(2015)	605.1	585.7	19.4
	P.U. 19(2016)	1,770.0	1,760.2	9.8
		3,131.3	3,216.2	(84.9)
2017	P.U. 33(2015)	323.9	323.9	-
	P.U. 45(2016)	5,373.0	5,372.4	0.6
		5,696.9	5,696.3	0.6
2018	2018 CBA	6,980.5	6,989.0	(8.5)
		15,808.7	15,901.5	(92.8)

¹ Refer to NP-NLH-225, Attachment 1 for further information.

Hydro Holyrood Assets Acquired After December 31, 2015

(\$000)

Year	AssetID	Approval/ P.U. Order	Reference	Cost	Closing 2018 NBV	2019 Additions	Depreciation Expense	Closing 2019 NBV
2016	400439	U1 Rectifying Transformer	P.U. 27(2015)	435,163	204,783		91,015	113,768
	400440	U2 Rectifying Transformer	P.U. 27(2015)	435,163	204,783		91,015	113,768
			Note 1	<u>870,326</u>				
	400663	Reheat Tubing		-	(0)		(0)	(0)
	401124	Tank #1 Inspection	P.U. 33(2015)	24,357	10,825		4,811	6,014
	401125	Ingersoll Rand Air Comp. #2	P.U. 19(2016)	352,033	172,425		76,633	95,791
	403164	U1 Boiler Condition Assessment	P.U. 19(2016)	234,689	114,950		51,089	63,861
	403165	U2 Boiler Condition Assessment	P.U. 19(2016)	234,689	114,950		51,089	63,861
	403166	U3 Boiler Condition Assessment	P.U. 19(2016)	234,689	114,950		51,089	63,861
	403169	U1 DC Lube Oil Motor Starter	P.U. 19(2016)	234,689	114,950		51,089	63,861
	403170	U2 DC Lube Oil Motor Starter	P.U. 19(2016)	234,689	114,950		51,089	63,861
	403348	Capstan Gear Box	P.U. 19(2016)	234,689	153,266		68,118	85,148
			Note 3	<u>1,760,167</u>				
	403543	V2924, 16 F150 EXT CAB 4X4	P.U. 33(2015)	29,122	14,761		6,561	8,201
	404258	U2 East CW Pump Overhaul	P.U. 33(2015)	207,404	99,554		44,246	55,308
	404259	U2 North Ext. Pump Overhaul	P.U. 33(2015)	139,356	66,891		29,729	37,161
	404260	U1 W Boiler Feed Pump Overhaul	P.U. 33(2015)	185,557	89,067		39,585	49,482
			Note 5	<u>532,317</u>				
	2016 Total			3,216,290	1,591,103		707,157	883,946
2017	P03229	HRD Holyrood Plant Common	P.U. 33(2015)	323,900	165,255		73,447	91,808
	P04608	HRD Holyrood Unit #3	P.U. 45(2016)	210,800	136,735		60,771	75,964
	P04609	HRD Holyrood Unit #3	P.U. 45(2016)	142,900	92,692		41,196	51,495
	P04610	HRD Holyrood Unit #2	P.U. 45(2016)	279,300	181,168		80,519	100,649
			Note 7	<u>633,000</u>				
	P04611	HRD Holyrood Unit #2	P.U. 45(2016)	2,302,100	1,493,254		663,668	829,586
	P04620	HRD Holyrood Plant Common	P.U. 45(2016)	2,437,300	1,580,951		702,645	878,306
	2017 Total			5,696,300	3,650,055		1,622,247	2,027,808

Hydro Holyrood Assets Acquired After December 31, 2015
(\$000)

Year	AssetID		Approval/ P.U. Order	Reference	Cost	Closing 2018 NBV	2019 Additions	Depreciation Expense	Closing 2019 NBV
2018	P04182	Upgrade Powerhouse Building Envelope	2018 CBA	Note 10	784,100	721,372		320,610	400,762
	P04782	2018 - Overhaul Turbine Valves - Unit 1	2018 CBA	Note 11	3,490,300	3,365,646		1,495,843	1,869,804
	P04783	2018 - Overhaul Vacuum Pump - Unit 2 South	2018 CBA		93,100	89,775		39,900	49,875
	P04785	2018 - Overhaul Boiler Feed Pump - Unit 2 East	2018 CBA		354,100	341,454		151,757	189,696
				Note 12	447,200				
	P04787	Cond. Assess. & Misc. Upgrades - HRD	2018 CBA	Note 13	2,267,400	2,186,421		971,743	1,214,679
	2018 Total				6,989,000	6,704,668		2,979,853	3,724,816
2019	P04948	Cond. Assess. & Misc. Upgrades - HRD	2018 CBA	Note 13	1,858,800		1,858,800	116,175	1,742,625
	2019 Total				1,858,800		1,858,800	116,175	1,742,625
Grand Total					17,760,390	11,945,827	1,858,800	5,425,431	8,379,195

References: (000s)

- Note 1** Supplemental application to Replace Excitation Transformers - Holyrood Units 1 and 2 with an approved budget of \$756.2.
- Note 2** In accordance with the Public Utilities Act, only expenditures in excess of \$50,000 require Board approval.
- Note 3** Supplemental application to replace Lower Reheater Tubes that service Unit 1 and 2 boilers with an approved budget of \$11,800.0. Project was underbudget with an actual spend of \$11,734.4. Holyrood accelerated assets prorated to reflect portion of total budget of \$1,770.0 of which actual spend was \$1,760.2.
- Note 4** Approved under 2016 Capital Budget Application multi-year project to Replace Vehicles and Aerial Devices with an approved 2016 budget of \$1,443.3. The amount for this project is a portion of the overall approved project. The remaining assets have not been identified as Holyrood accelerated assets. As project completion has not yet been reached, project costs assumed to be on budget.
- Note 5** Approved budget of \$536.2.
- Note 6** Approved budget of \$889.8 of which \$323.9 related to actual costs on Holyrood accelerated assets. As project completion has not yet been reached, project costs assumed to be on budget.
- Note 7** Approved budget of \$633.0.
- Note 8** Approved budget of \$2302.1.
- Note 9** Approved budget of \$2,437.3.
- Note 10** Project submitted under 2018 Capital Budget Application for the Upgrade Powerhouse Building Envelope - Holyrood project, with a proposed budget of \$784.1.
- Note 11** Project submitted under 2018 Capital Budget Application for the Overhaul Unit 1 Turbine Valves - Holyrood project, with a budget of \$2,485.7 as well as Overhaul Unit 1 Generator Holyrood with a budget of \$1,005.0 for a total of \$3,490.7.
- Note 12** Project submitted under 2018 Capital Budget Application for Overhaul Pumps - Holyrood with a proposed budget of \$438.3.
- Note 13** Project submitted under 2018 Capital Budget Application for the Condition Assessment and Miscellaneous Upgrades - Holyrood project, with a proposed budget of \$2,749.6 of which \$2,267.4 is anticipated to be accelerated. 2019 additions related to this project are included in the 2018-2022 Capital Plan with a proposed 2019 budget of \$1,858.8.