

1 Q. **Reference: Request for Information CA-NLH-041**

2 Further to Request for Information CA-NLH-041, please confirm that, based on Hydro’s 2016
3 Depreciation Study filed with the 2017 General Rate Application, the average service life for
4 wood poles is 43 years. Based on Hydro’s experience with the wood pole line management
5 program extending the useful life of transmission lines by more than 15 years, will the
6 depreciation expense related to transmission lines be decreased accordingly in Hydro’s next
7 general rate application?

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10 A. Based upon the 2016 Depreciation Study,¹ the average service life for transmission wood pole
11 structures² is 57 years. The average service life for distribution poles³ is 43 years.

12 The Wood Pole Line Management (“WPLM”) Program is for transmission wood pole structures
13 and the analysis excludes data such as line failure under extreme wind and ice conditions or any
14 other poles replaced prior to the initiation of the WPLM Program. The data used in the analysis
15 in the 2016 Depreciation Study for the transmission poles⁴ includes failures under extreme wind
16 and ice conditions and the poles replaced prior to the initiation of the WPLM Program.

17 As part of its next depreciation study,⁵ Newfoundland and Labrador Hydro will take into
18 consideration the findings submitted in the WPLM Program in assessing the average service life
19 of transmission wood pole structures; however, it would be premature to conclude the impact
20 of the depreciation study prior to its completion.

¹ “2017 General Rate Application,” Newfoundland and Labrador Hydro, rev. July 4, 2018 (originally filed July 28, 2017), vol. II, exh. 11.

² Account P05 – Pole Structures – Wood.

³ Account P07 – Poles – Wood.

⁴ Account P05 – Pole Structures – Wood.

⁵ To be filed as part of the next general rate application.