

1 Q. **Finance**

2 Page 4.15, line 15 to page 4.16, line 6 – Provide the impact on the 2018 and 2019
3 revenue requirements for each proposed change in the depreciation calculation.

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6 A. Please refer to PUB-NLH-070, Attachment 1.

2015 Depreciation Study Impact Summary
(\$000's)

	2015 Depreciation Study		2018 Test Year		2019 Test Year	
	<u>Expense</u>	<u>Change</u>	<u>Expense</u>	<u>Change</u>	<u>Expense</u>	<u>Change</u>
Existing	60,624		88,728		93,953	
Per Life Change	57,187	(3,436) Note 1	82,188	(6,541)	87,759	(6,194)
Net Salvage	64,342	7,155 Note 1	88,720	6,533	95,464	7,705
ELG	65,833	1,490	90,235	1,515	95,499	35
Loss on Disposal		(4,399) Note 1	86,248	(3,987)	91,514	(3,985)
		810		(2,480)		(2,439)

Note 1: In the 2015 Depreciation Study (Volume II: Exhibit 11, page 7 of 628), the line is 'Losses on Retirement' which includes Loss on Disposal, Removal and Disposal Proceeds. To be consistent with Hydro's 2018 and 2019 Test Year presentation, Hydro has reclassified the removal costs of \$1.0M to 'Net Salvage' and (\$0.4M) to Per Life Change.