

1 Q. **Reference: Volume 2, page 321; Volume 3 (Exhibit 8), page 73**

2 a) Confirm whether the exclusion of the H02 Holyrood accelerated-depreciation asset from
3 ordinary survivor-curve treatment (Survivor Curve "N/A," net salvage 0%, calculated annual
4 accrual rate 0.00% in both the 2023 Depreciation Study and the 2024 Technical Update) is a
5 recommendation made by Concentric Advisors, an instruction given by Hydro to Concentric,
6 or a convention inherited from the 2016 Depreciation Study; identify whether any
7 alternative treatment (e.g., a shortened but still survivor-curve-based approach) was
8 considered and rejected, and if so, why; and provide the documentation of that decision,
9 including any memoranda, correspondence, or study-scoping documents.

10 b) Explain the basis for the growth in the H02 asset's original cost from approximately \$210.3
11 million in the 2023 Depreciation Study to \$271.6 million in the 2024 Technical Update,
12 providing a schedule of the capital additions to the H02 asset class between the two studies'
13 cut-off dates, with dollar amounts and in-service dates for each material addition.

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16 A. a) H02 Holyrood accelerated depreciation assets were excluded from the survivor curve
17 treatment due to the fact that the recovery of the undepreciated capital cost of the
18 Holyrood Thermal Generating Station ("Holyrood TGS") is through a regulatory deferral
19 account. As such, Concentric Advisors, Inc. ("Concentric") did not develop specific
20 depreciation rates for the Holyrood TGS assets. Concentric noted that the use of regulatory
21 deferral accounts to deal with the early retirement of large plants is common throughout
22 North America and aligns with common depreciation and ratemaking principles.

23 b) H02's original cost increased from \$210.3 million in the 2023 Depreciation Study to \$271.6
24 million in the 2024 Technical Update. The cutoff date for the 2023 study was December 31,
25 2022, and the cutoff date for the 2024 Technical Update was December 31, 2024. CA-NLH-
26 093, Attachment 1 provides a summary of additions and disposals that show the \$61.3
27 million growth in H02's original cost.

H02 Growth

Asset #	Asset Description	Asset Value	Asset In-service Date
2023 Depreciation Study Opening Balance		210,178,233.12	
Asset Additions:	346807 ARO	18,793,803.00	12/31/2010
	581430 U2 MAJOR TURBINE O/H 2023	8,839,879.24	5/31/2024
	586053 TURBINE L-0 BLADES INSTAL 2024	4,671,145.79	12/31/2024
	581431 U2 TURBINE VALVE O/H 2023	3,788,519.67	5/31/2024
	585056 CONDITION ASSESSMENT 2024	3,145,818.21	11/30/2024
	585058 CONDITION ASSESSMENT 2024	3,145,818.20	9/30/2024
	566326 CONDITION ASSESSMENT 2023	2,626,864.78	10/27/2023
	589950 HEAVY OIL TANK #4 OH 2024	2,150,808.04	12/4/2024
	586054 TURBINE L-0 BLADES INSTAL 2024	2,001,919.62	5/30/2024
	561393 SPARE STAGE 1 LSB'S - 2023	1,603,011.53	4/26/2023
	585057 CONDITION ASSESSMENT 2024	1,572,909.10	10/11/2024
	582382 TURBINE L-1 BUCKETS 2024	1,434,895.12	12/20/2024
	566324 CONDITION ASSESSMENT 2023	1,071,646.83	10/7/2023
	566325 CONDITION ASSESSMENT 2023	1,051,695.96	10/23/2023
	566359 DAY TANK REFURB 2023	942,143.19	10/2/2023
	568672 STG I SPARE BFP VOLUTE OH 2023	634,255.37	12/16/2023
	585516 TURBINE L-1 BLADES INSTAL 2024	512,496.00	12/31/2024
	586381 U2 MARK VIe MIGRATION	488,900.82	4/26/2024
	568671 #2 EAST BFP OVERHAUL 2023	432,446.84	12/16/2023
	566494 N VACUUM PUMP REPLACEMENT 2023	403,804.39	10/1/2023
	568679 U2 E CW PUMP OVERHAUL 2023	374,787.25	12/16/2023
	566578 MARINE TERM. BOARDWALK UPGRADE	292,245.34	10/31/2023
	582383 UNIT #1 TURBINE L-1 BUCKETS	282,422.84	12/20/2024
	582384 UNIT #1 MSCV REFURB 2024	280,011.43	1/30/2024
	566586 TANK 3 STEAM TRACE REPAIR 2023	239,697.38	8/30/2023
	581446 NORTH LOADING ARM O/H 2024	234,150.18	6/9/2024
	581447 SOUTH LOADING ARM O/H 2024	234,150.17	6/9/2024
	586382 U2 MARK VIe CTRL RM HMI	225,646.53	4/26/2024
	590698 UNIT #1 TURBINE O/H 2021	224,128.75	11/30/2022
	582874 U1 WEST TRAVELLING SCREEN OH	211,064.65	11/30/2024
	566569 #1 GENERATOR PT REPAIR 2023	198,951.64	9/30/2023
	566491 #1 FLAME SCANNER REPLACEMENT	153,709.81	10/1/2023
	566716 #1 STACK CONCRETE OH 2023	152,304.79	9/30/2023
	546597 FLAME SCANNER REPLACEMENT 2022	125,471.62	4/25/2023
	566601 UPGRADE #1 TURBINE SUPERVISORY	121,394.22	9/30/2023
	566603 UPGRADE #2 TURBINE SUPERVISORY	121,394.22	9/30/2023
	566607 UPGRADE #3 TURBINE SUPERVISORY	121,394.22	9/30/2023
	568816 U1 E CW SCREEN OVERHAUL 2023	93,574.71	11/30/2023
	566580 LOW LOAD ISOLATOR REPLACEMENT	85,706.57	11/30/2023
	582899 SPARE BOILER EXP JOINTS 2024	80,703.78	10/7/2024
	586781 #2 NORTH VAC P/P OVERHAUL 2024	75,452.27	7/30/2024
	568817 EAST FO PUMP REPLACEMENT 2023	69,689.27	10/20/2023
	546569 HP HTR DRAIN PMP REPLACEMENT	67,561.64	4/25/2023
	544929 CONTROL VALVE OVERHAUL 2022	60,649.78	9/15/2022
	586149 G1 PROTECTION, HRD TS	59,738.82	12/31/2024
	586778 UNIT #1 S VACUUM PUMP OH 2024	59,283.93	9/27/2024
	566500 STG 1 PMP HOUSE CRANE OH 2023	57,044.04	7/30/2023
	546600 STAIR REPLACEMENT 2022	56,634.29	4/25/2023
	546601 STAIR REPLACEMENT 2022	56,634.29	4/25/2023

Asset #	Asset Description	Asset Value	Asset In-service Date
546602	STAIR REPLACEMENT 2022	56,634.29	4/25/2023
566625	POLISHER ACID LINE REPLACEMENT	46,927.85	10/31/2023
590688	U2 CONDENSER ACTUATORS	43,456.69	11/30/2022
582870	CEMS ROOM GAS DETECTION SYSTEM	42,293.22	11/30/2024
566504	STAIR REPLACEMENT 2023	42,150.77	8/30/2023
566505	STAIR REPLACEMENT 2023	42,150.77	8/30/2023
566506	STAIR REPLACEMENT 2023	42,150.77	8/30/2023
586383	U1 & 2 TURB CONTROLLER SWITCH	37,607.75	4/26/2024
590695	ECONOMIZER INLET VALVE	31,255.01	11/30/2022
582889	UNIT #2 E SH ATTEMP VALVE 2024	30,486.51	2/24/2024
582897	HEADER DRAIN VALVES 2024	28,085.77	3/15/2024
566483	HP HTR DRAIN PMP REPLACEMENT	23,885.44	12/8/2023
582869	UNIT #2 CW PUMP WEST MTR O/H	23,399.22	1/22/2024
525568	CONDITION ASSESSMENT 2022	22,614.95	11/14/2022
582892	U2 AIR HEATER CONTROL VALVE	18,780.07	1/24/2024
466339	HEAVY FO TANK #3 STUDY	17,090.00	11/30/2022
466342	HEAVY FO TANK #4 STUDY	17,090.00	11/30/2022
582891	EAST DRUM VENT VALVE 2024	16,348.64	3/21/2024
582863	U1 EXCITER HMI PANEL 2024	15,529.15	7/5/2024
582865	U2 EXCITER HMI PANEL 2024	15,529.15	7/5/2024
582866	U3 EXCITER HMI PANEL 2024	15,529.15	7/5/2024
525564	CONDITION ASSESSMENT 2022	14,435.07	10/1/2022
546721	TRANSFORMER UPGRADE,T2,HRDTS	12,472.54	10/14/2022
590661	CONTINUOUS EMISSIONS MONITOR	11,762.28	11/30/2022
525567	CONDITION ASSESSMENT 2022	11,066.89	10/27/2022
582904	STAGE 1 BLR HOUSE CRANE 2024	10,186.87	9/30/2024
546582	#3 CONDENSER VACUUM PUMP SOUTH	9,651.66	9/25/2023
590706	HIGH PRESSURE FEEDWATER HEATER	2,854.36	11/30/2022
503939	UNIT #1 CR LINE FAILURE 2021	2,338.83	12/1/2021
590705	INSTALL CONDENSER STAGE III	1,394.24	11/30/2022
502468	WEST BFP OVERHAUL 2021	912.15	1/15/2021
502449	JETTY FENDER SUSPENSION 2021	871.22	12/1/2021
529699	#3 TURBINE VALVE OVERHAUL 2022	688.48	11/19/2022
502447	SWIVEL JOINT REPLACEMENT 2021	655.43	8/13/2021
590703	INSTALL BOILER FEED PUMP UNIT	555.55	11/30/2022
502428	MARINE TERMINAL STRUCTURE O/H	538.36	8/26/2021
502458	FLAME SCANNER REPLACEMENT 2021	397.60	4/7/2021
502470	WEST BFP OVERHAUL 2021	396.27	9/4/2021
590658	#1 BOILER STACK	333.85	11/30/2022
502451	JETTY FENDER #3 TIMBERS 2021	229.07	11/23/2021
502445	MARINE TERMINAL LOADING ARM	218.98	8/13/2021
590702	INSTALL STACKS UNIT #3	198.42	11/30/2022
502457	EAST FO PUMP REPLACEMENT 2021	173.07	9/13/2021
502472	REPLACE STACK CEMS BUNDLE 2021	168.02	3/30/2021
502467	VFD CELL REFURBISHMENT 2021	163.72	12/9/2021
502471	REPLACE STACK OPACITY MONITOR	116.94	9/3/2021
502456	TG COOLING WATER CTRL V/V 2021	105.25	6/10/2021
502469	WEST BFP MOTOR OH 2021	93.55	10/30/2021
502461	UPGRADE BOILER DRAINS 2021	81.86	6/7/2021
502437	REFURBISH FUEL SYSTEM PIPE	66.16	11/16/2021
502497	UNIT #2 CW PUMP WEST MTR O/H	58.47	10/30/2021
502462	WEST FO PUMP REPLACEMENT 2021	56.13	2/1/2021

	Asset #	Asset Description	Asset Value	Asset In-service Date
	502426	CAPSTAN GEARBOX O/H 2021	56.13	5/31/2021
	502454	GLAND STM EXHAUSTR REPLACEMENT	51.45	2/21/2021
	502463	REPLACE AUX STM VALVE 2021	51.45	6/6/2021
	502464	REFURBISH HP HTR #6 INLET	47.53	4/21/2021
	502460	REPLACE STACK LIGHTING	44.50	8/12/2021
	590660	#2 EXCITER	44.16	11/30/2022
	502479	REPLACE ATOMIZING STM CTRL VV	42.10	9/21/2021
	502425	BEARING LINER REFURB 2021	42.10	4/19/2021
	590659	#1 EXCITER	13.95	11/30/2022
Asset Disposals:	271310	#1 EXCITER	(32.57)	
	271322	#2 EXCITER	(79.02)	
	6919	#1 BOILER STACK	(733.89)	
	568823	UNIT #1 MSCV OH 2023	(1,329.98)	
	99000177	INSTALL STACKS UNIT #3	(1,860.19)	
	99000240	INSTALL BOILER FEED PUMP UNIT	(5,208.25)	
	484394	UNIT #3 STACK WINCH OH 2020	(5,859.83)	
	99000155	HIGH PRESSURE STEAM SYSTEM UNI	(9,760.04)	
	99031613	HIGH PRESSURE FEEDWATER HEATER	(10,769.15)	
	99000266	INSTALL TURBINE UNIT 3 - MFG H	(13,397.06)	
	99000214	INSTALL CONDENSATION POLISHERS	(18,108.13)	
	99000249	BALANCE OF HIGH PRESSURE FEED	(20,344.08)	
	99000164	OIL STORAGE TANKS UNIT #3 (#4	(22,310.83)	
	278551	CONTINUOUS EMISSIONS MONITOR	(25,204.88)	
	395205	ECONOMIZER INLET VALVE	(31,255.01)	
	412164	U1 CW SCREEN UPGRADE	(38,243.87)	
	396405	UNIT 1 SPARE BFP MOTOR	(46,815.87)	
	322987	U2 CONDENSER ACTUATORS	(65,732.74)	
	99023644	TURBINE ROTOR MOVEMENT MONITOR	(65,822.38)	
	485344	EAST FO PUMP REPLACEMENT 2020	(69,337.42)	
	412150	U1 CONDITION ASSESSMENT 2017	(76,487.72)	
	412151	U2 CONDITION ASSESSMENT 2017	(76,487.73)	
	412160	U3 CONDITION ASSESSMENT 2017	(76,487.73)	
	503937	MAJOR OVERHAUL BOILER STACKS	(87,975.72)	
	99000158	FUEL OIL SYSTEM UNIT #3	(97,295.28)	
	502501	VACUUM PUMP REFURB 2021	(114,556.85)	
	448194	#2 EAST BFP OVERHAUL 2018	(181,609.69)	
	99000293	INSTALL CONDENSER STAGE III	(182,150.05)	
	404258	U2 EAST CW PUMP OVERHAUL	(207,404.35)	
	501303	UNIT #1 TURBINE O/H 2021	(224,128.75)	
	403164	U1 BOILER CONDITION ASSESSMENT	(234,688.99)	
	403165	U2 BOILER CONDITION ASSESSMENT	(234,688.99)	
	403166	U3 BOILER CONDITION ASSESSMENT	(234,688.99)	
	379689	FUEL OIL DAY TANK UPGRADES	(488,619.63)	
2043 Depreciation Study Closing Balance			271,649,767.42	