

Q. **Reference: NP-NLH-097, Issue Topic: Long Term Supply Cost Variance Deferral Account, and Exhibit 11.**

Please provide a scenario in the same format as Table 1 in Exhibit 11 that sets 2027 test year depreciation expense at an amount that would result in a cumulative balance of zero at the end of March 31, 2030.

A. Please refer to Table 1 which sets the 2027 Test Year Holyrood Thermal Generating Station (“Holyrood TGS”) accelerated depreciation expense at an amount that would result in a cumulative balance of zero in the Holyrood TGS Accelerated Depreciation Deferral Account at the end of March 31, 2030.

**Table 1: Holyrood TGS Accelerated Depreciation Deferral 2022–2030
With Adjusted 2027 Test Year Depreciation
(\$000)¹**

	2022 Actual	2023 Actual	2024 Actual	2025 Actual	2026 Forecast	2027 Test Year	2028 Forecast	2029 Forecast	2030 Forecast
Actual Depreciation	14,135	4,902	10,158	16,196	22,122	29,200	43,474	55,241	13,810
Test Year Depreciation Scenario	16,940	16,940	16,940	16,940	16,940	38,549	38,549	38,549	9,637
Variance	(2,805)	(12,038)	(6,782)	(744)	5,182	(9,348)	4,926	16,692	4,173
Deadband	2,500	2,500	2,500	2,500	(2,500)	2,500	(2,500)	(2,500)	(2,500)
Deferral Amount	(305)	(9,538)	(4,282)	-	2,682	(6,848)	2,426	14,192	1,673
Cumulative Balance	(305)	(9,843)	(14,125)	(14,125)	(11,443)	(18,291)	(15,865)	(1,673)	-

¹ Numbers may not add due to rounding.