Requests for Information

1 2	NP-CA-010	Reference: Comments on Newfoundland Power's 2022 Capital Budget Application, Elenchus Research Associates Inc., August 13, 2021, page
3		24, Table 2 and page 27, Table 3.
4		
5	QUESTION:	What is the basis of the estimated capital cost of hypothetical
6		Distributed Energy Resource Projects listed in Table 2 and Table 3?
7		
8	RESPONSE:	These are illustrative examples that are used to show that the arithmetic
9		needs to be done in the context of specific projects to complete a valid
10		comparison of alternatives. The point being made is that it is not valid to
11		use a comparison of the levelized costs of alternatives with significantly
12		different service lives. A valid comparison requires the scenarios to be
13		extended to at least the full assumed service life of the longest lived asset.