

1 **Q. (a) Please provide the depreciation schedule in reference to the MGT.**

2
3 **(b) The Applicant maintains that the existing MGT is 43 years old and approaching**
4 **the end of its service life. Please provide details of what this means. When does**
5 **the Applicant anticipate the MGT's service life will be completed/what year? Is**
6 **the MGT working and operational now?**

7
8 A. (a) The depreciation schedule for the MGT is included as Attachment A to this response.
9 Data in the schedule dates back to 1995, the first year electronic depreciation records
10 are available for the MGT. Details on the depreciation in prior years would need to
11 be created from paper records. At the current rate, the remaining net book value for
12 the MGT is forecast to be fully depreciated in 2019 when the new mobile generator
13 goes into service.

14
15 (b) The existing MGT is currently working and operational. The poor condition of the
16 trailers that support and house the gas turbine components has created issues with its
17 roadworthiness. As a result, the existing MGT will be retired from mobile service
18 over the next 3 years.¹ This would coincide with the delivery of the new mobile
19 generator proposed in this application.

20
21 The remaining service lives of the other parts of the MGT are estimated to range from
22 5 to 10 years.² After retirement from mobile service, the MGT will therefore be
23 stationed at a fixed location until it is fully retired from service.

¹ Reference: Tab 1.2, Purchase Mobile Generation, page 4.

² Reference: Tab 1.2, Purchase Mobile Generation, Appendix A: Mobile Gas Turbine Condition Assessment, page A-6, Table 3.

MGT Depreciation Schedule

	Depreciable Assets			Total Deprec. Assets								
	PLANT IN SERVICE			PLANT IN SERVICE		ACCUM DEPR	DEPR	SALVAGE LESS		RETIREMENTS	DEPR. ADJ.	ACCUM DEPR
	JANUARY 1	ADD/ADJ	RETIREMENTS	TRFS/ADJ	DECEMBER 31	JANUARY 1	DURING YR	TRUE UP	DISMANTLING	RETIREMENTS	DUE TRANSFER	DECEMBER 31
Portable Gas Turbine - 48												
1995					575,225							280,316
1996	575,225	25,850	2,200		598,875	280,316	20,021	(21,010)		2,200		277,127
1997	598,875	14,989			613,864	277,127	20,364	(21,010)				276,481
1998	613,864	2,279			616,143	276,481	20,623	(21,010)				276,094
1999	616,143				616,143	276,094	20,541	(21,010)				275,625
2000	616,143	102,889	5,400		713,632	275,625	23,593	(21,010)	(584)	5,400		272,224
2001	713,632	28,300		383	742,315	272,224	24,124		(1,254)		(27)	295,067
2002	742,315	37,495	34,381		745,429	295,067	26,961			34,381		287,647
2003	745,429	1,503,876	196,348		2,052,957	287,647	58,456	5,930	(5,057)	196,348		150,628
2004	2,052,957	150,378	(34,381)		2,237,716	150,628	91,586	5,930		(34,381)		282,525
2005	2,237,716		12,120	142,123	2,367,719	282,525	95,468	5,930		12,120	1,720	373,523
2006	2,367,719			(41,994)	2,325,725	373,523	88,694			0	(886)	461,331
2007	2,325,725	13,810			2,339,535	461,331	89,725			0		551,056
2008	2,339,535	11,841	1,500		2,349,876	551,056	109,124	22,994	(3,769)	1,500		677,905
2009	2,349,876	129,585	10,022	2,333	2,471,772	677,905	112,186	22,994		10,022		803,063
2010	2,471,772	90,539	1,500	(117,077)	2,443,733	803,063	114,376	22,994	(5,348)	1,500	(9,501)	924,084
2011	2,443,733			4,195	2,447,929	924,084	113,972	22,994		0	(265)	1,060,785
2012	2,447,929	9,027			2,456,956	1,060,785	114,237			0		1,175,022
2013	2,456,956	4,344	20,300		2,441,000	1,175,022	183,687	99,616		20,300		1,438,025
2014	2,441,000	25,449	275	5,439	2,471,613	1,438,025	183,614	99,616	(267)	275	204	1,720,917
2015	2,471,613	10,482	19,048	39,213	2,502,260	1,720,917	184,582	99,616		19,048		1,986,067
2016	2,502,260	62,978			2,565,238	1,986,067	149,047	0		0		2,135,114

Net Book Value December 31, 2016

430,124