

1 ▪ Q. Reference: Volume I, 2015 and 2016 Average Rate Base, Section I

2
3 Please complete the table below showing Hydro’s rate base for the period 2008 to 2019,
4 showing the increase/decrease for each year.

Table 1: Average Rate Base by Year

Year	Average Rate Base (\$000s)	Increase/Decrease (\$000s)	Increase/Decrease (%)
2008			
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017F			
2018F			
2019F			

5
6
7 A. The requested information is shown in Table 1.

Table 1: Average Rate Base by Year

Year	Average Rate Base (\$000)	Increase/Decrease (\$000)	Increase/Decrease (%)
2008	1,489,787	-	-
2009	1,473,181	(16,606)	-1.1
2010	1,483,882	10,701	0.7
2011	1,492,777	8,895	0.6
2012	1,542,483	49,706	3.3
2013	1,549,685	7,202	0.5
2014	1,620,982	71,297	4.6
2015 ¹	1,747,245	126,263	7.8
2016	1,885,849	138,601	7.9
2017F ²	2,093,796	207,947	11.0
2018F ³	2,249,910	156,114	7.5
2019F ⁴	2,317,270	67,360	3.0

1 Table 1 shows Newfoundland and Labrador Hydro’s (“Hydro”) rate base increased by
2 approximately 55% from 2008 to 2019 forecast. Hydro notes that this increase is primarily
3 driven by the growth in generation and transmission assets.⁵ Specifically, only 12% of the
4 increase in the net book value of Hydro’s assets in rate base since 2009 relates to distribution
5 assets, compared with 85% relating to increases in generation and transmission assets.^{6,7}
6
7 Increases in generation and transmission assets include major capital additions for TL 267 and
8 the Holyrood Gas Turbine, which represent \$414.4 million of the increase in rate base in Table 1.
9 Excluding these two projects, Hydro’s rate base has increased by approximately 2.2% per year
10 since 2008, 28% in total.

¹ Reflects revised average rate base as per page 2 of the October 7, 2019 correspondence from Grant Thornton which reviewed the computation of the 2015 and 2016 average rate base included in Hydro’s 2020 Capital Budget Application.

² The 2017F rate base forecast is provided as part of the “2017 General Rate Application” proceeding, filed in Hydro’s “2017 GRA Compliance Application” on July 11, 2019.

³ The 2018F rate base forecast is provided as part of the “2017 General Rate Application” proceeding, filed in Hydro’s “2017 GRA Compliance Application” on July 11, 2019.

⁴ The 2019F rate base forecast is provided as part of the “2017 General Rate Application” proceeding, filed in Hydro’s “2017 GRA Compliance Application” on July 11, 2019.

⁵ Generation includes both thermal and diesel plants.

⁶ Since 2009 the net book value of Hydro’s assets have increased by approximately \$750 million.

⁷ The net book value is comprised of: 85% generation and transmission, 12% distribution and 3% other assets. The ‘other assets’ include general plant, telecontrol, and computer software.