

**Public Service Company of New Hampshire
Docket No. DE 11-215**

**Data Request STAFF-02
Dated: 05/31/2012
Q-STAFF-001
Page 1 of 45**

**Witness: Robert A. Baumann, William H. Smagula, Timothy J. Griffin
Request from: New Hampshire Public Utilities Commission Staff**

Question:

Reference Exhibit 7 from December 19, 2011 hearing.

- a. How often does the Technical Accounting group perform its technical updates of depreciation rates for PSNH's generation assets?
- b. Please provide copies of any internal company policies, procedures, memoranda, etc. that involve the performance of technical updates of depreciation rates.
- c. Please provide the years that the five most recent Technical Updates were performed.
- d. Please provide any reports or other documentation prepared in connection with the three most recent technical updates.

Response:

- a. There is no pre-determined timing for the performance of Technical Updates for Average Year of Final Retirement (AYFR) assets. Technical Updates are performed based upon engineering updates of changes in the AYFR year which are triggered by either the present year closely approaching the assessment AYFR or a large investment in a Unit.
- b. While there are procedures around the timing of Technical Updates on Distribution assets, there are no policies, procedures or memoranda in place for Technical Updates to AYFR assets because those changes are done on an as needed basis.
- c. The five most recent studies were performed in 1986, 1997, 1998, 2007 and 2012.
- d. See Attachments 1 through 3 which has the 2012, 2007 and 1998 AYFR Technical Updates.

Public Service Company of New Hampshire
Docket No. DE 13-108

Date Request Received: 08/26/2013

Date of Response: 08/26/2013

Request No. Q-STAFF-004

Page 1 of 1

Request from: New Hampshire Public Utilities Commission Staff

Witness: William H. Smagula

Request:

Reference response to Staff 1-34, page 2 and Staff 1-35, item d. Please provide further explanation of why the individual units at Merrimack Station and Schiller Station no longer have separate AYFRs although they did prior to the most recent engineering review. Please provide any reports, memoranda, studies or other documentation supporting the move to a single AYFR for each station.

Response:

Merrimack Station's AYFR was updated with the installation and operation of scrubber technology to control mercury emissions at Merrimack Units 1 and 2. Prior to the scrubber the two units maintained stand alone operations with unit specific controls. The scrubber is the first pollution control equipment at Merrimack Station that is tied to both Unit 1 and Unit 2. The engineering review found that it was not unreasonable to assume that with on-going maintenance and proper operation the two units would be operated with the scrubber over its 25 year book life.

Schiller Station's AYFR was updated with the installation of the Schiller 5 biomass boiler. The updated AYFR recognized the significant portion of common facility, facility infrastructure and systems utilized at Schiller Station. The AYFR of 2020 represented a 15 year book life for the new biomass boiler and was not unreasonable for the on-going operation and proper maintenance of the non-boiler equipment on unit 5 and the two coal units.