

1 Q. Please confirm that all reported depreciation cost estimates include all
2 appropriations for removal and restoration reserves and net of any forecast
3 salvage values.

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6 A. Net Salvage values are accounted for in accordance with the procedure
7 illustrated in Exhibit III - 3 "Consideration of Net Salvage" of the 1998
8 Depreciation Policy Study which was accepted by the Board on page 58 of
9 Order No .P.U.7 (2002-2003).