

1 Q. **Grant Thornton's Prefiled Evidence**

2 Page 44, lines 16-17 – Please explain why the inventory loss anticipated in
3 the 2002 test year forecast did not materialize.

4

5

6 A. Actual inventory losses were less than that forecast in the 2002 test year due
7 to timing differences. Approximately \$1.2 million was forecast over 2001 and
8 2002 but the bulk of the reductions were achieved in 2001 due to the
9 initiative in that year to identify obsolete or excess inventory.