

- 1 Q. **Grant Thornton's 2002 Annual Financial Review of Hydro**
- 2 Page 20, last paragraph – Please provide a breakdown of costs related to
- 3 annual routine maintenance and structures and equipment for 2001, 2002
- 4 and forecast 2003 and 2004, together with an explanation for changes from
- 5 year to year.
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- 8 A. The breakdown for routine maintenance is indicated below:

(\$000)				
	2001	2002 ⁽¹⁾	2003 ⁽²⁾	2004 ⁽³⁾
Administrative Support	38.0	38.5	36.5	42.5
Common Facilities	903.8	1,041.0	824.0	780.5
Water Treatment Plant	246.6	272.4	331.1	563.1
Building and Grounds	943.3	979.1	1,499.2	1,866.0
Total	2,131.7	2,331.0	2,690.8	3,252.1
⁽¹⁾ 2001 to 2002 increase of approximately \$200,000 is mainly due to additional pump repair parts, additional Non Destructive Testing (NDT) requirements, and an increase in environmental equipment maintenance. ⁽²⁾ 2002 to 2003 increase of approximately \$360,000 is mainly due to replacement of exhausted condensate polisher resins, inspection and repair of No.3 main fuel oil tank. ⁽³⁾ 2003 to 2004 increase of approximately \$550,000 is mainly due to the planned replacement of the caustic/phosphate injection skid, replacement of landfill liner, upgrade of the plant elevator hoist controls, and replacement, of a portion of the Turbine Hall Roof.				