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1 Q. Please provide a reconciliation of the NBV for “feasibility studies” in Schedule
2 2.3A of the COS (\$3,575,735) compared to the 2004 final COS (filed in
3 response to PU14(2004)) of \$172,884. Please provide a summary of all
4 amounts spent or forecast to be spent in the intervening years as well as the
5 depreciation applied to this group of assets.

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8 A. A reconciliation of the NBV for “feasibility studies” in Schedule 2.3A of the
9 COS (\$3,575,735) compared to the 2004 final COS (filed in response to
10 Order No. P.U.14 (2004)) of \$172,884 as well as a summary of all amounts
11 spent or forecast to be spent in the intervening years are included in the table
12 on page two.

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14 The depreciation expense that has been applied to this group of assets for
15 actuals 2004/2005 and forecasts 2006/2007 is \$781,314.

Feasibility Studies
Changes Reflected in the Cost of Service
2004 Test Year vs 2007 Test Year

	Average Net Book Value	(*) Average Capital Cost
2004 Test Year	172,884	172,884
Forecast Greater Than Actual	(55,474)	(55,474)
Actual 2004	117,410	117,410
Increases / (Decreases):		
MISC UNITS OF PROP	(71,591)	(71,591)
POLE STRUCTURES WOOD TYPE 1	(504)	(504)
REVIEW CAPITAL COST ESTIMATE - ISLAND POND HYDRO DEV.	864,933	864,933
PORTLAND CREEK DEVELOPMENT -FINAL FEASIBILITY STUDY	690,127	690,127
WIND GENERATION STUDY	79,335	79,335
HOLYROOD REGENERATION WASTE TREATMENT STUDY	140,630	140,630
BDE UNITS 1-4 STATOR WINDINGS DESIGN REVIEW	21,642	21,642
HARDWOODS AND STEPHENVILLE GAS TURBINE ASSESSMENTS	143,313	143,313
HOLYROOD LIFE EXTENSION	1,597,973	1,597,973
MISC UNITS OF PROP	(7,532)	(7,532)
2007 Test Year	3,575,735	3,575,735

(*) - In a Cost of Service study the Average Capital Cost for Feasibility Studies is replaced by the Average Net Book Value for allocating O&M expense.