

1 Q. What would be the pitfalls and benefits associated with the approval of an
2 assessment of one of the units this year with NLH applying in subsequent
3 years for approval of expenditures related to the assessment of the other
4 units in a later year if it was deemed necessary?

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7 A. If the assessment had to be performed as three separate capital budget
8 projects in three different years, the cost of performing the overall project
9 would increase. The information gathered during the first two years would be
10 of little or no use until completion of the last year's scope of work because all
11 the information would not be available until the end of the last year. This is
12 analogous to attempting to ascertain the condition of a used car one is
13 considering purchasing by inspecting one third of the car each year. The
14 condition of the entire car, and therefore its value, cannot be established until
15 the entire car has been inspected.