

1 **Major Electrical Equipment Repairs (\$150,000)**  
2

3 **Q. Provide an explanation as to why the projects included in this category would not fit**  
4 **within the category of the Allowance for Unforeseen Items (\$750,000) on p. 60 of**  
5 **Schedule B.**

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7 A. The Allowance For Unforeseen Items category is specifically intended to cover any  
8 unforeseen or unanticipated capital expenditure. It allows the Company to replace or  
9 repair facilities and equipment damaged due to major storms or equipment failure in an  
10 expeditious manner in advance of seeking approval from the Public Utilities Board.

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12 The projects included in the Major Electrical Equipment Repairs category are not  
13 unforeseen or unanticipated. This defined category of expenditure is budgeted based on  
14 an assessment of historical annual expenditures to replace or rehabilitate electrical  
15 equipment occasioned by deterioration or failure.