Q.	Why were no transformers replaced during the period 2001 to 2003F (Transformer
	Cooling Refurbishment B-22)?

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A. There were no problems identified during the 2001 to 2003F period that were significant enough to warrant the replacement of any transformer cooling radiators, and accordingly, no transformer cooling radiators were replaced during the period. Some problems were identified in the fall of 2002, but not in time to be included in the 2003 capital budget process.

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12 13 In the past, radiator replacements were typically driven by leaks from the radiators. Normally, these leaks would be patched and the radiator identified for replacement in the budget process for the next year. Under severe circumstances, the radiator would be "shut-off" and drained (consequentially temporarily de-rating the transformer) until a new radiator could be obtained.

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In 2003, the Company began utilizing ultrasonic testing to check the integrity of radiators before leaks develop. This approach will be used on a go forward basis, and should make radiator condition assessment more timely and effective.