

- 1 **Q. Please provide details of the overall impact of the depreciation study on the**
2 **proposed depreciation expense.**
3
- 4 A. The depreciation study report includes an updated service life and net salvage study
5 based on the Company's experienced retirement and net salvage data for electric plant in
6 service at December 31, 2014. The revised service life, dispersion curve and net salvage
7 estimates set forth in the depreciation study report result in a \$1.223 million overall
8 increase to depreciation expense, a 2.3% increase from the last study completed for
9 electric plant in service at December 31, 2010.¹

¹ For a comparison of existing and proposed service life, net salvage estimates, and calculated annual depreciation related to original cost of electric plant at December 31, 2014; please refer to Attachment A of the response to Request for Information PUB-NP-072.