

1 **Undertaking Request (U-87)**

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3 *Transcript Reference: July 26, 2018, Pg. 117, line 21 to Pg. 120, line 11*

4 *Re: Undertaking #54, pg. 12*

5 Undertake to provide what Hydro's transmission O&M costs are as a percentage of Hydro's  
6 gross asset values.

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9 **Undertaking Response**

10 Hydro believes this undertaking is intended to compare Hydro's transmission O&M costs to  
11 Hydro's total gross transmission asset values and responds accordingly.

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13 Transmission O&M costs as a percentage of gross transmission asset value are 1.9% based  
14 on the historic original cost methodology<sup>1</sup> for calculating asset values and 0.9% based on  
15 the Handy Whitman Index methodology.<sup>2</sup>

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<sup>1</sup> Total O&M Costs for Transmission (\$21.6 million)/ Gross Transmission Asset Value (\$1,148.2 million) x 100 = 1.9%

<sup>2</sup> Total O&M Costs for Transmission (\$21.6 million)/ Gross Transmission Asset Value stated in 2019 dollars (\$2,457.2 million) x 100 = 0.9%.