

1 **Q. Reference Volume 2, Tab 5, p. 11**

2
3 **As a result of Re-measurement as of December 31, 2008, an actuarial gain in the**
4 **amount of \$14,885,000 is applied to the previously calculated accrued benefit**
5 **obligation of January 1, 2005; is this change within the tolerable margin of error for**
6 **a 3 year period. Please apply the same error to the December 31, 2008 evaluation on**
7 **a go forward basis for 3 years and calculate the resulting Net Periodic Benefit Cost.**
8

9 A. The actuarial gain of \$14,885,000 represents a number of changes since the previous
10 OPEB valuation at December 31, 2005. These changes include membership data, claims
11 costs, trend rates and most significantly changes in the discount rates.
12

13 These changes do not represent errors but are merely an updating of the underlying
14 assumptions to better reflect plan experience and the prevailing bond yield environment
15 at the valuation date.