

- 1 Q. **Reference: Section 1.4.1.1, Cost Control, page 1.21, Lines 1 – 2** **Reference:**
2 **Section 2.4.1.2, System Equipment Maintenance, page 2.24, lines 17 – 19**
3 System equipment maintenance, section 2.4.1.2 states that there is “a reduction of
4 \$1.7 million in overhaul expenses in the 2013 forecast due to the decision to
5 capitalize major overhauls”. Please recalculate average annual increase (in
6 percentage) assuming that this accounting change had not occurred.
7
8
9 A. The average annual increase noted in Section 1.4.1.1, Cost Control, page 1.21, Lines
10 1-2 was calculated assuming that that the accounting changes approved in Order
11 No. P.U. 13(2012) had not occurred.
12
13 Please refer to V-NLH-031 for the calculation of the average increase.