

1 **Q. [ELG] – Please state whether the actual retirement pattern exhibited by the**
2 **Company’s historical data for each account precisely follows the assumed annual**
3 **retirement patterns reflected in the ELG calculation procedure. To the extent the**
4 **Company believes that the historical retirements in fact followed a precise ELG-**
5 **based pattern, provide the actual expected retirements based on ELG parameters**
6 **reflected in the existing rates from the time the existing rates went into effect**
7 **through the current time period in comparison to the actual retirement activity that**
8 **occurred by vintage for each year for each account or subaccount during the same**
9 **period of time.**

10
11 **A. Inherent in the application of standardized survivor curves (such as Iowa curves) used to**
12 **calculate depreciation expense, calculated accrued depreciation and remaining lives is the**
13 **assumption that retirements will occur in the future with the same dispersion as specified**
14 **by the survivor curve. Such an assumption is necessary for depreciation calculations**
15 **independent of the calculation procedure used.**