

- 1 **Q.** [Salvage] – Please identify each and every factor that the Company and/or its outside
2 depreciation consultant are aware of that affects the level of gross salvage or cost of removal
3 (e.g., inflation, productivity, cost of materials, the scrap market, etc.).
4
5 **A.** Impacts on *gross salvage* include inflation, market price, pricing methodology, reuse,
6 salvage sales, demand. Impacts on *cost of removal* include inflation, disposal costs,
7 labour costs, environmental laws, technology changes and accounting.