

1 **Q. [ELG] – Regarding the presentation in Appendix A under the heading Time**
2 **Sensitivity of ELG and ALG Procedures as set forth on pages 14 through 16, please**
3 **state why the specific pattern of additions and retirements was selected rather than**
4 **reliance on actual historical activity for Account 361.2 – Underground Cables.**

5
6 A. The specific pattern of additions and retirements was chosen to show a comparison of
7 ALG and ELG depreciation rates under consistent assumptions. Based on historical data,
8 a number of additional factors would influence both the ELG and ALG depreciation
9 rates. By using projected data based on the survivor curve, the example controls for most
10 of those additional factors, thereby providing a truer assessment of the impact of the
11 procedure alone.