

1 **Q. In any Canadian regulatory proceeding in which depreciation has been an issue, has**  
2 **Mr. Pous recommended that a utility move from the Equal Life Group ("ELG")**  
3 **procedure to the Average Life Group ("ALG") procedure? For each such proceeding,**  
4 **please list the jurisdiction, utility and date of proceeding, and indicate whether the**  
5 **recommendation was adopted by the regulator.**

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7 **A.** Yes. The only current case Mr. Pous recalls is the Nova Scotia Power, Inc. case before the  
8 Nova Scotia Utility and Review Board Docket No. M03665. That case was settled with a  
9 "black box" agreement that stated that all parties have the right to present arguments  
10 regarding all aspects of depreciation in the next proceeding. Prior to the 2011 Nova Scotia  
11 Power case, Mr. Pous does recall recommending movement to ALG depreciation for  
12 utilities in Alberta. Mr. Pous believes those older cases were in the 1990s. Mr. Pous'  
13 recollection regarding those cases was that the regulatory authority in Alberta retained the  
14 ELG methodology for calculation of direct depreciation expense but relied on an ALG-based  
15 reserve variance amortization process.