

1 **Q. How many depreciation studies has Mr. Pous performed in his career with Diversified**
2 **Utility Consultants, Inc. (“DUC”)? In how many of these studies did Mr. Pous**
3 **recommend the ELG procedure?**
4

5 A. Mr. Pous has not performed a survey of each Canadian regulated utility. Based on Mr.
6 Pous’ knowledge, he believes most Canadian regulated utilities rely on ELG for
7 depreciation calculations but may rely on ALG for reserve variance calculations. For
8 example, Mr. Pous often testifies in Alberta. The procedure in Alberta is similar to the
9 current presentation by Gannett Fleming for Newfoundland Power, Inc. However, in Alberta,
10 the reserve variance adjustment is based on an ALG calculation as established by the
11 regulatory body probably during the 1990s. Thus, while ALG is used to some extent in
12 Canada, Mr. Pous’ statement is based on the overwhelming use of ALG by North American
13 energy utilities.