## Page 1 of 1

| 1  | Q. | Projects over \$50,000 but Less Than \$200,000  |
|----|----|---|
| 2  |    | Tab 29 Replace Vehicles and Aerial Devices:   |
| 3  |    | What is the justification for Hydro's replacement criteria as regards kilometers to be    |
| 4  |    | so significantly different from 2 of the 3 Atlantic utilities, in particular 1 and 2 in   |
| 5  |    | Table 1, page 2?  |
| 6  |    |   |
| 7  |    |   |
| 8  | A. | Hydro's criteria of looking at vehicles with a base line of 150,000 kilometers is a       |
| 9  |    | primary benchmark to identify vehicles that could be replaced provided they meet          |
| 10 |    | two other conditions as laid out in Hydro's replacement criteria. The base line of a      |
| 11 |    | minimum of 150,000 kilometers was selected because Hydro found the majority of            |
| 12 |    | light vehicles that operate in rural areas have a shorter life span due to the poor       |
| 13 |    | road conditions, high salt environment and limited maintenance resources in the           |
| 14 |    | areas. The lack of factory trained service shops in the rural areas reduces the           |
| 15 |    | reliability of the vehicles. The other Atlantic utilities have a larger number of factory |
| 16 |    | trained service shops compared to Newfoundland and Labrador.                              |