
1 **Q. Project C-67: Replace Vehicles and Aerial Devices**

2 If Hydro increased its average kilometer replacement criteria (as depicted in Table 1
3 of Hydro's Report found at Volume II, Tab 29) to more closely align with the criteria
4 of Utility #1 and Utility #2 (as depicted in Table 2 of Hydro's Report found at
5 Volume II, Tab 29), what savings could Hydro realize regarding its present
6 Application for approval in relation to this Project?

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9 **A.** If Hydro increased the kilometer replacement criteria to mirror other Atlantic
10 utilities it would not result in any significant savings because the vehicles being
11 replaced meet other replacement criteria indicated in Hydro's replacement
12 guidelines. Hydro's replacement plan looks at mileage, age, maintenance costs and
13 overall condition of the vehicles scheduled for replacement. The other utilities look
14 at age and kilometers. A few years ago, Hydro extended the life of some vehicles to
15 180,000 kilometers and found the repair costs increased significantly on those
16 units. Specifically, the vehicles experienced two transmission failures, leaking oil
17 pans and safety issues with the suspension because of wear and tear. Hydro is
18 unable to provide an estimate of savings for the project.