

1 **Q. B-36, Perform Wood Pole Management Program, \$2,513,300**

2 Are the increased costs of construction referred to on page 14-15 of the Report in
3 Volume II, Tab 13 included in the budget for 2012 in Table 8 on p. 17 of the same
4 Report? If yes, why is the budget for 2012 lower than the other years in the
5 forecast?

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8 **A. Yes, the increased costs of construction are included in the 2012 budget.**

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10 The 2012 budget is lower than other years because the average age of the poles
11 being refurbished is much lower than the other years. This is shown in the
12 following table.

	2012	2013	2014	2015	2016
No. Of Poles Inspected	1685	2477	2693	2727	2773
Weighted Average Age of Poles	28.31	38.42	41.91	42.33	38.43
Expected Rejection Rate	2.6 %	11.2%	11.0%	12.5%	7.7%
Expected No. of Poles Replaced	44	277	296	341	213

13 For example, based on the age of the poles being refurbished in 2012, Hydro would
14 expect approximately 2.6% of the 1685 poles or 44 poles to be replaced. While in
15 2013, this number increases to 11.2% of 2477 or around 277 poles.