

1 Q. **B-58, Replace Battery Banks and Charges \$881,000**

2 On p. 1 of the Report in Volume II, Tab 21, it is stated that Hydro's Stationary
3 Battery Replacement Program is an "ongoing program" and Appendix A provides a
4 five year Battery Replacement Schedule. Is Hydro seeking approval of this project
5 as a multi-year project? If not, why not?

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8 A. Hydro isn't seeking approval of the project as a multi-year project. This is a capital
9 program that will continue for a number of years given the equipment reaching the
10 end of useful life. The program plan will be adjusted annually to account for cost
11 and scope changes, unexpected battery degradation, and increased or decreased
12 loads. Multi-year projects provide a level of certainty about current and subsequent
13 year scope, costs and timing of the capital expenditure. Where Hydro has
14 expectations of changes in scope or forecast cost in subsequent years of a capital
15 project expenditure it will only request a one year approval of the capital project.