

1 Q. Re: Account C04: Please provide a detailed explanation of the \$217,830 retirement  
2 at age 10.5 years for Account C04 Cables - Above Ground as set forth on page IV-29  
3 of Exhibit 1, including but not limited to a detailed description of what retired along  
4 with corresponding dollars, the events that resulted in the need for retirement at  
5 that age, documents supporting the transaction, etc. Further, fully justify why such  
6 event should be considered representative of future expectations for the remaining  
7 plant.

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10 A. In preparing the response to this Request for Information, it was noted that the  
11 retirement transactions in this account related to 2005 were inadvertently  
12 downloaded as debit values rather than credit values. As such, the retirement rate  
13 models treated these transactions as reverse retirements. The database has been  
14 corrected and the retirement rate analysis for this account has been re-run. A  
15 revised retirement analysis has been filed due to this processing error in the initial  
16 data. The revised retirement data is included in the attachment to this response.

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18 The total retirements in this account at age 10.5 years has been updated from  
19 \$217,830 (referred to in the question above) to \$245,126. Based on a review of the  
20 revised observed life table, the average service life recommendation originally  
21 made by Gannett Fleming remains unchanged (50-R3).

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23 Please refer to CA-NLH-70 Attachment 1 for a detailed listing of the specific items  
24 that were retired at age 10.5 years. Detailed reasons for retirements are not  
25 maintained in Hydro's asset records; however they are generally for replacement of  
26 plant as a result of the normal course of activity. As such, these transactions should

- 1 be included in the retirement rate analysis as they represent retirement activity
- 2 that can be expected to reoccur in the future.