

1 Q. Re: Account R15: Please provide a detailed description of the various assets and
2 corresponding cost of each set forth in Account R15 – Runner, including all
3 information and documentation the Company believes is significant or meaningful
4 to the determination of life characteristics. Further, provide all reasons and
5 justification, including all documents that support any position that an average
6 service life greater than 33 years (e.g., 37 or 40 years) is not appropriate.

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9 A. Please see CA-NLH-121 Attachment 1. This account was analyzed in total, rather
10 than on an asset by asset basis, and the asset specific data was therefore not a
11 consideration.

Below is a list of all assets in account R15 - Runner that were included in the data list used for Gannett's depreciation study.

Asset Number	Description	Asset Cost Object	Start Depr	Cost Net of CIAC	Final UOP	Final UOP Desc
58429	Runner - Turbine #1 - BDE	1007	10/27/1996	1,513,610	R15	Runner
59072	Runner - Turbine #2 - BDE	1007	11/15/1993	2,271,057	R15	Runner
59273	Runner - Turbine #4 - BDE	1007	11/10/1994	1,448,949	R15	Runner
59278	Runner - Turbine #3 - BDE	1007	10/3/1994	1,446,026	R15	Runner
59675	Runner - Turbine #5 - BDE	1007	10/1/1995	1,458,565	R15	Runner
60092	Runner - Turbine #7 - BDE	1007	1/1/1978	130,312	R15	Runner
60889	Turbine Runner - Turbine - PRV	1007	3/9/1989	583,446	R15	Runner
62270	Runner - Turbine NO. 1 - CAT	1007	8/2/1985	881,636	R15	Runner
62443	Runner - Turbine NO. 2 - CAT	1007	8/2/1985	881,636	R15	Runner
99003933	Capital Spare - Runner -CAT ARM	1007	8/2/1985	881,634	R15	Runner
99004303	Turbines & Governors - Runner	1007	12/12/1980	50,343	R15	Runner
99031239	Additional Cost for BDE Runner	1007	11/25/1994	16,158	R15	Runner
99031271	Additional Cost Runner	1007	10/27/1996	43,184	R15	Runner
99031272	Additional Cost Replacement Runner	1007	10/27/1996	16,657	R15	Runner
99032457	BDE Runner Monument	1029	10/9/1998	46,688	R15	Runner
Total				11,669,902		

1 Q. Re: Account R15: Please fully explain and justify the selection of a 33R5 life-curve
2 combination for Account R15 – Runner. The response should specifically address
3 the curve fit set forth on page IV-182 of Exhibit 1 and why a longer life is not
4 appropriate. The response should also present the specific steps and corresponding
5 information and documents relied on to arrive at the proposed life-curve
6 combination.

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9 A. The retirement rate analysis provided an average service life estimate consistent
10 with the Iowa 33-R5. While this account has only a limited amount of retirement
11 volume, the limited amounts of retirements do provide a basis for analysis.
12 Discussions with the operations group have indicated that a 33 year life estimate
13 resulting from the retirement rate analysis is reasonable.

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15 The assets in this account were not componentized by the peer group of
16 companies, and therefore a peer analysis was not prepared. However, given the
17 retirement rate analysis, and the confirmation received from the operating staff,
18 there is sufficient evidence to support this life estimate.