

1 Q. [Account I03 - Insulators] - Please provide all analyses performed by operating staff,
2 as well as all documents associated with such analyses that resulted in the
3 "indicated agreement that 30 years is consistent with the life" for the investment in
4 Account I03 - Insulators, as referenced in CA-NLH-92. To the extent the indicated
5 agreement was based only on verbal comments, provide all meaningful or
6 significant information that would support the indicated agreement with a 30-year
7 life. Finally, provide all analyses and meaningful and significant information from
8 Company personnel which demonstrates that a 35-year average service life for
9 investment in this account is not also reasonable for expected future life
10 expectations.

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13 A. The operations group were provided a preliminary version of the results of the
14 retirement rate analysis in order to provide comment and to verify the
15 reasonableness of the preliminary estimates. The operations group provided a
16 check of the reasonableness of Gannett's recommendation based on their
17 experience and knowledge of the system, and indicated that 30 years is consistent
18 with their expectations. The comments from the operations group were not based
19 on any specific documentation, but rather based on their internal expertise and
20 knowledge of the system. The Hydro operations group rely on the professional
21 expertise of Mr. Kennedy in providing Iowa curve fits, and are not in a position to
22 offer comment on the comparability of the characteristics of the differing Iowa
23 curve fits.