

1 Q. [Account S16 - Studies] - In CA-NLH-131 the Company failed to respond to the  
2 portion of the request seeking all reasons and justification along with the  
3 documents that support any position that an average service life greater than 5  
4 years is not appropriate. At this time, please provide the previously requested  
5 information.

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8 A. Please refer to the response to CA-NLH-214. The investment made to undertake a  
9 study of the types identified in response to CA-NLH-131 does not relate to the  
10 assets being placed into service. Rather, the investment relates to the review of the  
11 need to undertake a project or to identify costs benefits or life extensions. As such,  
12 the value of the study is consumed over a very short time frame, and should be  
13 amortized accordingly. In the view of Gannett Fleming, the investment made in  
14 conducting the study does not contribute to the life of the asset once it is installed,  
15 and therefore the costs should be amortized over a short period.