

1 Q. [Fully Accrued] - Please admit that when the investment in an asset has been fully
2 recovered, the asset still may not be fully accrued due to potential future negative
3 net salvage. If the response is anything other than to admit, provide support and
4 justification for any other response.

5

6

7 A. Hydro currently, under both IFRS and regulatory accounting, treats negative net
8 salvage as an income statement item and thus it does not have any impact on the
9 asset account.