

1 Q. [W01-Water Regulating Structures] - Please identify the different types of assets
2 and corresponding expected life of each from an internal staff standpoint that
3 would justify a life as short as 55 years compared to a 65-, 85-, or 95-year life for
4 investment in Account W01.

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7 A. The assets in the Water Regulating Structures file are quite varied. They range from
8 concrete control structures to very small items such as piezometers and even
9 reservoir clearing. It is the view of the operations staff that some of the assets
10 could last beyond 55 years, however, there are other assets that will not be
11 expected to last beyond 25 to 30 years. Given the wide range of expected lives of
12 assets in this account, use of a 55 year life is reasonable at this time.

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14 The fish compensation structure has the largest investment in this account, \$13
15 million of the \$21 million. It is the opinion of Hydro staff that in future studies the
16 assets in this account be componentized into other existing units of property and
17 adopt the remaining life of these accounts.