

1 Q. Please explain with specificity what is unusual in the construction of Hydro's dams
2 that make these dams dissimilar from other Canadian dams and from other North
3 American dams for life determination purposes.

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6 A. Generally, Mr. Kennedy finds that Hydro's earthen dams are similar in nature and
7 construction as other Canadian earthen dams. Mr. Kennedy is not aware of any
8 earthen dams in Canada that are currently being depreciated over a life greater
9 than the 100 years as proposed in the Gannett Fleming study. Mr. Kennedy also
10 notes that a number of dams in Canada are subjected to a life span approach where
11 the total life of the dam is constricted to a life of much less than 100 years, although
12 an Iowa curve of 100 years or more may be used to identify the interim retirement
13 activity through the life span date.

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15 With regard to the life estimates of dams from American based utilities, Mr.
16 Kennedy notes that as indicated in CA-NLH-156 Attachment 1, only four utilities are
17 using an Iowa curve of greater than 100 years. It is further noted that in the
18 circumstances of each of the utilities using an Iowa curve of greater than 100 years,
19 it is specifically noted that the Iowa curve estimate is used only to provide an
20 estimate of interim retirement activity as a life span approach is used. As such, the
21 dams from these four utilities are also being depreciated over a period of 100 years
22 or less.

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24 Dams throughout North America are not commonly depreciated over a period of
25 greater than 100 years.