

NP CA 08

1 **Q. Page 19, line 29 to Page 20, line 20.**

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3 **Mr. Pous indicates "...the Board should order Hydro to investigate and present**
4 **alternatives in a future proceeding as solutions to this problem. Those**
5 **alternatives can be analyzed and judged on their merit and a more informed**
6 **decision can be made at the time."**

7
8 **Given that this proceeding is concerned specifically with Hydro's depreciation**
9 **methodology, is it not most appropriate to consider these matters as part of this**
10 **proceeding? If not, please fully explain why it is inappropriate for these matters to**
11 **be fully dealt with as part of a depreciation methodology proceeding.**

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13 **A. If possible, such matters should have been dealt with in the current depreciation**
14 **proceeding. However, corrective action is not possible based on the information provided**
15 **by Hydro in response in either its depreciation study or responses to numerous data**
16 **requests. Moreover, given the potential magnitude of corrective recalculation, it is more**
17 **appropriate for the Company to actually perform the corrective action once it is determined,**
18 **given it possesses all the data electronically in its accounting system.**