

1 Q. Page 31, lines 1 to 13.

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3 Please explain in full why Mr. Pous believes that it is appropriate to recommend  
4 adjustments to these 10 accounts without providing the Board a full review which  
5 includes Hydro's remaining accounts?  
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7 A. Hydro maintains 136 separate accounts. The review and adequate analysis of all 136  
8 accounts could not be performed within the time schedule permitted for the depreciation  
9 proceeding. This is especially true given Hydro's lack of responsiveness to numerous data  
10 requests associated with the accounts that were investigated. In addition, there are other  
11 problems with the Gannett Fleming study that correction of such would be extremely time  
12 consuming based on the need to perform such analysis on all 136 accounts. In future  
13 depreciation reviews, hopefully fewer problems will be presented and fewer accounts relied  
14 upon by Hydro in its presentation, thus enabling further correction to Hydro's presentation  
15 at that time. The complete correction for all of Hydro's accounts most likely will take several  
16 attempts over several different depreciation studies.