1	Q.	Upgrade Distribution Systems – All Service Areas, Volume I,
2		Page C-50
3		"The forecast budget estimate for 2017 is based on an analysis of
4		the historical expenditures for distribution upgrading by region
5		supplemented with regional planning input with respect to future
6		activity expenditure levels. The 2017 budget for the Central region
7		is based on the level of expenditures experienced in 2015. The
8		2017 budget developed for the Northern region is based on the
9		five-year average for distribution system upgrades for the period
10		2011-2015. The 2017 budget developed for the Labrador region is
11		based on the expenditures experienced in 2014. Inflation adjusted
12		budgets for 2017 were developed assuming distribution upgrading
13		cost escalation of approximately 2% over 2016."
14		Please explain why different historical periods were used to determine the budget
15		for Hydro's various regions.
16		
17		
18	A.	Please see Hydro's response to IC-NLH-011.