

1 Q. Re: Account C13: Please provide a detailed explanation of the \$578,547 retirement
2 at age 9.5 years for Account C13- Conductor as set forth on page IV-41 of Exhibit 1,
3 including but not limited to a detailed description of what retired along with
4 corresponding dollars, the events that resulted in the need for retirement at that
5 age, documents supporting the transaction, etc. Further, fully justify why such
6 event should be considered representative of future expectations for the remaining
7 plant.

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10 A. Refer to CA-NLH-73 Attachment 1 for a detailed listing of the specific items that
11 were retired at age 9.5 years. As noted in the attachment, the largest value of
12 retirements was caused by the retirement of conductor resulting from transmission
13 line upgrading in 2001.

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15 Retirement of plant resulting from transmission line upgrading is a force of
16 retirement that is, and should be, considered a normal business activity for electric
17 distribution and transmission systems. As such, these retirements were considered
18 a normal retirement in the retirement rate analysis.

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Depreciation Methodology

Retirements at Age 9.5 Years for Account C13 - Conductor

New Account	Old Account	Trans Type	Trns Year	Install Year	Original Cost Amount	Age	Asset Description	Description
C13	12900	Retirement	1992	1982	(1,833)	9.5	Retire 300 Metres of Conductor on Transmission Line TL25	Transmission Line Construction Projects - Various
C13	12900	Retirement	1992	1982	(5,148)	9.5	Retire 1300 Metres of Conductor on Transmission Line TL252	Transmission Line Construction Projects - Various
C13	12900	Retirement	2000	1990	(20,989)	9.5	Supply/Install Conductor Wire	Upgrading Work on Transmission Line TL207
C13	12900	Retirement	2001	1991	(500,449)	9.5	Conductor	Upgrading Work on Transmission Line TL217
C13	12900	Retirement	2001	1991	(24,265)	9.5	Conductor	Upgrading Work on Transmission Line TL217
C13	12900	Retirement	2003	1993	(256)	9.5	Conductor for Tap Connection	Upgrading Work on Transmission Line TL227
C13	12900	Retirement	2000	1990	(25,606)	9.5	Supply/Install Conductor Wire	Upgrading Work on Transmission Line TL207