

1 Q. [Account G03 - Generators] - Please identify the specific peer group values for
2 investment in Account G03 - Generators as reflected on page III-6 of the 2009
3 Gannett Fleming study. Further, to the extent the values are greater than the 60-
4 year average service life proposed for Hydro, provide all support and justification
5 explaining why the longer service lives for peer Canadian utilities is excessive as it
6 applies to the investment to Hydro's generators.

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9 A. The peer group included the companies listed in Schedule 2 of:

- 10 • Hydro Production - Water wheels, Turbines and Generators;
11 • Other Production – Prime Movers, Generators and Auxiliaries; and
12 • Other Production – Generators

13 The above groupings indicate average service life estimates of 18 years through 75
14 years, with an average of 45 years. As such the recommended 60 year life is within
15 the range of the peer estimates, and 15 years greater than the average life of the
16 peer group.