

1 Q. **Depreciation**

2 *Re: Net Salvage: Please provide copies of any internal memos, policies, studies, etc.,*  
3 *identifying the appropriate allocation or treatment of costs between cost of removal*  
4 *and the installation of new investment when a retirement occurs and a replacement*  
5 *investment is installed at the same location.*

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7 Please file, and update as applicable, Hydro's response to CA-NLH-32 in the 2012  
8 Hydro Depreciation Application, and file a complete copy of the 1998 KPMG  
9 Depreciation Policy Study, as referred to in Hydro's response to CA-NLH-32 in the  
10 2012 Hydro Depreciation Application.

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13 A. Please refer to Hydro's response to NP-NLH-153 for Hydro's removals recorded  
14 through the income statement since the 2012 Depreciation Study. Hydro has  
15 applied to recover removal costs through depreciation expense for the 2018 and  
16 2019 Test Years in this Application.