

1 Q. **Depreciation**

2 Exhibit 11, page 64 of 628. Please explain the \$8,721,695 disposal event shown in
3 the table. When did it occur, what assets were involved, why were these assets
4 retired and why were they retired atypically early for the group?

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7 A. The \$8,721,698 disposal event occurred on December 30, 1999. The five assets
8 disposed are provided in Table 1. Hydro was authorized in Board Order No. P.U.
9 26(1999-2000) to write-off the undepreciated value of these assets as per the
10 abandonment and decommissioning of the woodchip fired thermal plant in
11 Roddickton (excluding the 450kW diesel engine which was used for emergency
12 start-up purposes).

Table 1 Disposal Events

Asset Number	Transaction Year	Installation Year	Amount
99001787	1999	1989	-7,182,763
99001835	1999	1989	-342,294
99001809	1999	1989	-476,509
99001807	1999	1989	-566,416
99001833	1999	1989	-153,713
Total			-8,721,695