

1 Q. **Volume II (1<sup>st</sup> Revision), Exhibit 13: Cost of Service Expert Evidence**

2 Did CA Energy Consulting’s research identify any utilities that allocate operating and  
3 maintenance expenses based on determination of test year transmission asset  
4 values via Handy-Whitman, or similar, indexes? (Volume II (1st Revision), Exhibit  
5 13: Cost of Service Expert Evidence, Pages 57-60)

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8 A. This response has been provided by CA Energy Consulting.

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10 CA Energy Consulting did not identify utilities that use Handy-Whitman or other  
11 indexes in transmission cost classification; however, as the testimony states at page  
12 15 of 60 of Exhibit 13, this approach is similar to that in use in distribution cost  
13 classification. Additionally, Hydro has already determined that this approach is  
14 feasible for transmission cost classification, supporting the opinions of Mr. Dean.