

1 Q. Further to response to Request for Information NP-NLH-145:

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3 Which of the electric utilities listed in Attachment 2, *Schedule 3. Summary of*
4 *Average Service Life Estimates of Peer Canadian Electric Utilities*, charge removal
5 costs for the existing asset to the installation costs of the replacement asset, for
6 ratemaking purposes, in the same manner being proposed by Hydro?

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9 A. This response has been provided by Concentric Advisors (Concentric).

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11 To the knowledge of Concentric, currently Manitoba Hydro and SaskPower follow a
12 practice of charging removal costs for the existing asset to the installation costs of
13 the replacement asset when the replacement asset is in the same location.

14 Additionally, Concentric notes that with the introduction of International Finance
15 Reporting Standards (IFRS) 14, a number of Canadian utilities are reviewing their
16 net salvage treatment.