

1 **Q. Reference: NLH-NP-024**

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3 **Please provide an updated ratio of capital to retirement work. If this cannot be**  
4 **provided, please explain how the use of a ratio last updated in 2011 remains**  
5 **appropriate.**

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7 A. As provided in the response to Request for Information NLH-NP-024, given the nature of  
8 the annual projects to rebuild, reconstruct and replace distribution and transmission  
9 equipment, the percentages can be applied consistently over time.<sup>1</sup> As such, the 25% and  
10 50% percentages outlined in the policy remain appropriate. If the Company materially  
11 changed its approach to completing rebuild, reconstruction and replacement activities, it  
12 would re-assess the percentages.

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<sup>1</sup> For example, the time associated with the replacement of a meter is estimated to be split evenly between the installation of the new meter and the removal of the old meter.