

MANITOBA HYDRO**2012/13 & 2013/14 ELECTRIC GENERAL RATE APPLICATION****UNDERTAKING PROVIDED BY: L. KENNEDY****Manitoba Hydro Undertaking #30**

Please update the response to PUB/MH I-85(c), also appearing in Board Council's Book of Documents, Volume 3, Tab 28, page 301, to indicate the estimated impact on composite depreciation rates of the change to the ELG procedure for group depreciation as compared with the removal of the provision for net salvage.

Response:

The following table has been updated to include estimated composite depreciation rates for ELG with net salvage:

Class	ASL ¹ WITH NET SALVAGE RATE (%)	ELG ⁴ WITH NET SALVAGE RATE (%)	ELG ² WITHOUT NET SALVAGE RATE (%)
Generation			
Hydraulic Generation	1.48	1.60	1.40
Thermal Generation	3.44	3.71	3.45
Diesel Generation	2.42	2.60	2.39
Transmission	1.71	1.85	1.38
Substations	3.16	3.32	2.82
Distribution			
Distribution Lines ³	2.41	2.76	2.00
Meters	8.88	9.99	9.99
Other			
Communication	5.90	7.07	6.49
Motor Vehicles	5.96	6.98	6.98
Buildings	2.03	2.21	2.14
General Equipment	14.28	14.28	14.28
Easements	1.28	1.49	1.49
Computer Software and Development	10.57	11.17	11.17
Depreciable Assets	2.59	2.83	2.44

¹ Appendix 5.7/Gannett Fleming Schedule 1 - Use of the ASL Methodology: Pages 1-8

² Appendix 5.7/Gannett Fleming Schedule 1: Pages III-4 - III-11

³ Includes Sub-transmission Lines

⁴ Estimated