

## SECTION 7

**Rochester Gas & Electric**  
**Gas Plant**  
**375.00 STRUCUTRES & IMPROVEMENTS**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u>            | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> | <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> | <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> | <u>%</u> |
|------------------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|
| <u>Annual Activity</u> |                                               |                                       |          |                                         |          |                                     |          |
| 1961                   | 348.00                                        | 0.00                                  | 0.00%    | 106.00                                  | 30.46%   | (106.00)                            | -30.46%  |
| 1962                   | 230.00                                        | 0.00                                  | 0.00%    | 144.00                                  | 62.61%   | (144.00)                            | -62.61%  |
| 1963                   | 300.00                                        | 0.00                                  | 0.00%    | 90.00                                   | 30.00%   | (90.00)                             | -30.00%  |
| 1964                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1965                   | 230.00                                        | 2.00                                  | 0.87%    | 301.00                                  | 130.87%  | (299.00)                            | -130.00% |
| 1966                   | 1,445.00                                      | 0.00                                  | 0.00%    | 1,345.00                                | 93.08%   | (1,345.00)                          | -93.08%  |
| 1967                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1968                   | 7,717.00                                      | 0.00                                  | 0.00%    | 1,391.00                                | 18.03%   | (1,391.00)                          | -18.03%  |
| 1969                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1970                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1971                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1972                   | 150.00                                        | 0.00                                  | 0.00%    | 44.00                                   | 29.33%   | (44.00)                             | -29.33%  |
| 1973                   | 1,712.00                                      | 0.00                                  | 0.00%    | 68.00                                   | 3.97%    | (68.00)                             | -3.97%   |
| 1974                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1975                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1976                   | 233,282.00                                    | 10,891.00                             | 4.67%    | 42,232.00                               | 18.10%   | (31,341.00)                         | -13.43%  |
| 1977                   | 0.00                                          | 825.00                                | 0.00%    | 4,444.00                                | 0.00%    | (3,619.00)                          | 0.00%    |
| 1978                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1979                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1980                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1981                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1982                   | 190.00                                        | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1983                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1984                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1985                   | 435.00                                        | 0.00                                  | 0.00%    | 630.00                                  | 144.83%  | (630.00)                            | -144.83% |
| 1986                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1987                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1988                   | 812.00                                        | 0.00                                  | 0.00%    | 300.00                                  | 36.95%   | (300.00)                            | -36.95%  |

***Rochester Gas & Electric***  
***Gas Plant***  
***375.00 STRUCUTRES & IMPROVEMENTS***  
***Forecasted Future Net Salvage***  
***Based Upon Experienced Net Salvage 1961 - 2007***

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1989                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1990                   | 0.00                    | 0.00                 | 0.00%    | 420.00                 | 0.00%    | (420.00)           | 0.00%    |
| 1991                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1992                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1993                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1994                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1995                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1996                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1997                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1998                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1999                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2000                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2001                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2002                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2004                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2005                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2006                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2007                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

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***Gas Plant***  
**375.00 STRUCUTRES & IMPROVEMENTS**  
***Forecasted Future Net Salvage***  
***Based Upon Experienced Net Salvage 1961 - 2007***

| <u>Year</u>                              | <u>Orginal Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------------------------|----------------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                          |                                              | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <b><u>Three - Year Rolling Bands</u></b> |                                              |                      |          |                        |          |                    |          |
| 1961 - 1963                              | 878.00                                       | 0.00                 | 0.00%    | 340.00                 | 38.72%   | (340.00)           | -38.72%  |
| 1962 - 1964                              | 530.00                                       | 0.00                 | 0.00%    | 234.00                 | 44.15%   | (234.00)           | -44.15%  |
| 1963 - 1965                              | 530.00                                       | 2.00                 | 0.38%    | 391.00                 | 73.77%   | (389.00)           | -73.40%  |
| 1964 - 1966                              | 1,675.00                                     | 2.00                 | 0.12%    | 1,646.00               | 98.27%   | (1,644.00)         | -98.15%  |
| 1965 - 1967                              | 1,675.00                                     | 2.00                 | 0.12%    | 1,646.00               | 98.27%   | (1,644.00)         | -98.15%  |
| 1966 - 1968                              | 9,162.00                                     | 0.00                 | 0.00%    | 2,736.00               | 29.86%   | (2,736.00)         | -29.86%  |
| 1967 - 1969                              | 7,717.00                                     | 0.00                 | 0.00%    | 1,391.00               | 18.03%   | (1,391.00)         | -18.03%  |
| 1968 - 1970                              | 7,717.00                                     | 0.00                 | 0.00%    | 1,391.00               | 18.03%   | (1,391.00)         | -18.03%  |
| 1969 - 1971                              | 0.00                                         | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1970 - 1972                              | 150.00                                       | 0.00                 | 0.00%    | 44.00                  | 29.33%   | (44.00)            | -29.33%  |
| 1971 - 1973                              | 1,862.00                                     | 0.00                 | 0.00%    | 112.00                 | 6.02%    | (112.00)           | -6.02%   |
| 1972 - 1974                              | 1,862.00                                     | 0.00                 | 0.00%    | 112.00                 | 6.02%    | (112.00)           | -6.02%   |
| 1973 - 1975                              | 1,712.00                                     | 0.00                 | 0.00%    | 68.00                  | 3.97%    | (68.00)            | -3.97%   |
| 1974 - 1976                              | 233,282.00                                   | 10,891.00            | 4.67%    | 42,232.00              | 18.10%   | (31,341.00)        | -13.43%  |
| 1975 - 1977                              | 233,282.00                                   | 11,716.00            | 5.02%    | 46,676.00              | 20.01%   | (34,960.00)        | -14.99%  |
| 1976 - 1978                              | 233,282.00                                   | 11,716.00            | 5.02%    | 46,676.00              | 20.01%   | (34,960.00)        | -14.99%  |
| 1977 - 1979                              | 0.00                                         | 825.00               | 0.00%    | 4,444.00               | 0.00%    | (3,619.00)         | 0.00%    |
| 1978 - 1980                              | 0.00                                         | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1979 - 1981                              | 0.00                                         | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1980 - 1982                              | 190.00                                       | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1981 - 1983                              | 190.00                                       | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1982 - 1984                              | 190.00                                       | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1983 - 1985                              | 435.00                                       | 0.00                 | 0.00%    | 630.00                 | 144.83%  | (630.00)           | -144.83% |
| 1984 - 1986                              | 435.00                                       | 0.00                 | 0.00%    | 630.00                 | 144.83%  | (630.00)           | -144.83% |
| 1985 - 1987                              | 435.00                                       | 0.00                 | 0.00%    | 630.00                 | 144.83%  | (630.00)           | -144.83% |
| 1986 - 1988                              | 812.00                                       | 0.00                 | 0.00%    | 300.00                 | 36.95%   | (300.00)           | -36.95%  |
| 1987 - 1989                              | 812.00                                       | 0.00                 | 0.00%    | 300.00                 | 36.95%   | (300.00)           | -36.95%  |
| 1988 - 1990                              | 812.00                                       | 0.00                 | 0.00%    | 720.00                 | 88.67%   | (720.00)           | -88.67%  |

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**375.00 *STRUCUTRES & IMPROVEMENTS***  
*Forecasted Future Net Salvage*  
*Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>                       | <u>Original Cost Of<br/>Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-----------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   |                                         | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                                         |                      |          |                        |          |                    |          |
| 1989 - 1991                       | 0.00                                    | 0.00                 | 0.00%    | 420.00                 | 0.00%    | (420.00)           | 0.00%    |
| 1990 - 1992                       | 0.00                                    | 0.00                 | 0.00%    | 420.00                 | 0.00%    | (420.00)           | 0.00%    |
| 1991 - 1993                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1992 - 1994                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1993 - 1995                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1994 - 1996                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1995 - 1997                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1996 - 1998                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1997 - 1999                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1998 - 2000                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1999 - 2001                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2000 - 2002                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2001 - 2003                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2002 - 2004                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003 - 2005                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2004 - 2006                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2005 - 2007                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

**Rochester Gas & Electric**  
**Gas Plant**  
**375.00 STRUCUTRES & IMPROVEMENTS**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> % | <u>Cost of Removal</u><br><u>Amount</u> % | <u>Net Salvage</u><br><u>Amount</u> % |
|-------------|-----------------------------------------------|-----------------------------------------|-------------------------------------------|---------------------------------------|
|-------------|-----------------------------------------------|-----------------------------------------|-------------------------------------------|---------------------------------------|

Three - Year Rolling Bands

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|             |            |           |      |           |       |             |        |
|-------------|------------|-----------|------|-----------|-------|-------------|--------|
| 1961 - 2007 | 246,851.00 | 11,718.00 | 4.75 | 51,515.00 | 20.87 | (39,797.00) | -16.12 |
|-------------|------------|-----------|------|-----------|-------|-------------|--------|

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Trend Analysis (End Year)                      2007

\*Based Upon Three - Year Rolling Averages

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 80.0  |
| Average Retirement Age (Yrs)     | 30.2  |
| Years To ASL                     | 49.8  |
| Inflation Factor At 2.75% to ASL | 3.86  |

| <u>Gross Salvage</u><br><u>Linear Trend Analysis</u> |                 |       |
|------------------------------------------------------|-----------------|-------|
| 1988-2007                                            | 20 - Year Trend | 0.00% |
| 1993-2007                                            | 15 - Year Trend | 0.00% |
| 1998-2007                                            | 10 - Year Trend | 0.00% |
| 2003-2007                                            | 5 - Year Trend  | 0.00% |

Forecasted

|                     |         |
|---------------------|---------|
| Gross Salvage       | 0.00%   |
| ( Five Year Trend ) |         |
| Cost Of Removal     | 80.53%  |
| Net Salvage         | -80.53% |

**Rochester Gas & Electric**  
**Gas Plant**  
**376.10 MAINS - STEEL**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1970 - 2007**

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1970                   | 202,963.00              | 10,068.00            | 4.96%    | 52,144.00              | 25.69%   | (42,076.00)        | -20.73%  |
| 1971                   | 153,665.00              | 9,632.00             | 6.27%    | 42,341.00              | 27.55%   | (32,709.00)        | -21.29%  |
| 1972                   | 354,486.00              | 3,251.00             | 0.92%    | 107,402.00             | 30.30%   | (104,151.00)       | -29.38%  |
| 1973                   | 273,992.00              | 73.00                | 0.03%    | 139,636.00             | 50.96%   | (139,563.00)       | -50.94%  |
| 1974                   | 199,199.00              | 0.00                 | 0.00%    | 151,639.00             | 76.12%   | (151,639.00)       | -76.12%  |
| 1975                   | 239,722.00              | 0.00                 | 0.00%    | 169,928.00             | 70.89%   | (169,928.00)       | -70.89%  |
| 1976                   | 307,015.00              | 530.00               | 0.17%    | 294,811.00             | 96.02%   | (294,281.00)       | -95.85%  |
| 1977                   | 271,559.00              | 378.00               | 0.14%    | 298,262.00             | 109.83%  | (297,884.00)       | -109.69% |
| 1978                   | 215,914.00              | 497.00               | 0.23%    | 253,482.00             | 117.40%  | (252,985.00)       | -117.17% |
| 1979                   | 289,324.00              | 0.00                 | 0.00%    | 210,356.00             | 72.71%   | (210,356.00)       | -72.71%  |
| 1980                   | 424,692.00              | 0.00                 | 0.00%    | 300,760.00             | 70.82%   | (300,760.00)       | -70.82%  |
| 1981                   | 254,548.00              | 0.00                 | 0.00%    | 129,368.00             | 50.82%   | (129,368.00)       | -50.82%  |
| 1982                   | 138,962.00              | 0.00                 | 0.00%    | 118,761.00             | 85.46%   | (118,761.00)       | -85.46%  |
| 1983                   | 280,012.00              | 0.00                 | 0.00%    | 262,700.00             | 93.82%   | (262,700.00)       | -93.82%  |
| 1984                   | 757,221.00              | 0.00                 | 0.00%    | 540,930.00             | 71.44%   | (540,930.00)       | -71.44%  |
| 1985                   | 323,065.00              | 23,690.00            | 7.33%    | 351,658.00             | 108.85%  | (327,968.00)       | -101.52% |
| 1986                   | 276,146.00              | 0.00                 | 0.00%    | 249,567.00             | 90.38%   | (249,567.00)       | -90.38%  |
| 1987                   | 183,651.00              | 0.00                 | 0.00%    | 235,430.00             | 128.19%  | (235,430.00)       | -128.19% |
| 1988                   | 120,068.00              | 67.00                | 0.06%    | 74,097.00              | 61.71%   | (74,030.00)        | -61.66%  |
| 1989                   | 253,660.00              | 0.00                 | 0.00%    | 182,519.00             | 71.95%   | (182,519.00)       | -71.95%  |
| 1990                   | 172,760.00              | 0.00                 | 0.00%    | 143,764.00             | 83.22%   | (143,764.00)       | -83.22%  |
| 1991                   | 520,780.00              | 6.00                 | 0.00%    | 329,630.00             | 63.30%   | (329,624.00)       | -63.29%  |
| 1992                   | 431,184.00              | 0.00                 | 0.00%    | 377,478.00             | 87.54%   | (377,478.00)       | -87.54%  |
| 1993                   | 279,143.00              | 0.00                 | 0.00%    | 188,148.00             | 67.40%   | (188,148.00)       | -67.40%  |
| 1994                   | 172,313.00              | 20.00                | 0.01%    | 83,434.00              | 48.42%   | (83,414.00)        | -48.41%  |
| 1995                   | 77,375.00               | 0.00                 | 0.00%    | 57,512.00              | 74.33%   | (57,512.00)        | -74.33%  |
| 1996                   | 210,536.00              | 0.00                 | 0.00%    | 84,622.00              | 40.19%   | (84,622.00)        | -40.19%  |
| 1997                   | 261,436.00              | 0.00                 | 0.00%    | 146,509.00             | 56.04%   | (146,509.00)       | -56.04%  |

**Rochester Gas & Electric  
Gas Plant**

**376.10 MAINS - STEEL**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007**

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1998                   | 307,286.00              | 0.00                 | 0.00%    | 193,518.00             | 62.98%   | (193,518.00)       | -62.98%  |
| 1999                   | 574,321.00              | 0.00                 | 0.00%    | 448,843.00             | 78.15%   | (448,843.00)       | -78.15%  |
| 2000                   | 1,271,936.00            | 3,204.00             | 0.25%    | 771,999.00             | 60.69%   | (768,795.00)       | -60.44%  |
| 2001                   | 1,176,769.51            | 0.00                 | 0.00%    | 690,444.44             | 58.67%   | (690,444.44)       | -58.67%  |
| 2002                   | 468,862.25              | 0.00                 | 0.00%    | 570,130.86             | 121.60%  | (570,130.86)       | -121.60% |
| 2003                   | 862,374.26              | 0.00                 | 0.00%    | 646,201.40             | 74.93%   | (646,201.40)       | -74.93%  |
| 2004                   | 2,405,094.32            | 0.00                 | 0.00%    | 120,358.58             | 5.00%    | (120,358.58)       | -5.00%   |
| 2005                   | 171,227.21              | 4,854.88             | 2.84%    | 145,553.25             | 85.01%   | (140,698.37)       | -82.17%  |
| 2006                   | 64,694.88               | 4,854.88             | 7.50%    | 145,553.25             | 224.98%  | (140,698.37)       | -217.48% |
| 2007                   | 256,677.59              | 5,587.08             | 2.18%    | 570,016.27             | 222.07%  | (564,429.19)       | -219.90% |

**Rochester Gas & Electric**  
**Gas Plant**  
**376.10 MAINS - STEEL**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1970 - 2007**

| <u>Year</u>                       | <u>Original Cost Of<br/>Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-----------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   |                                         | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                                         |                      |          |                        |          |                    |          |
| 1970 - 1972                       | 711,114.00                              | 22,951.00            | 3.23%    | 201,887.00             | 28.39%   | (178,936.00)       | -25.16%  |
| 1971 - 1973                       | 782,143.00                              | 12,956.00            | 1.66%    | 289,379.00             | 37.00%   | (276,423.00)       | -35.34%  |
| 1972 - 1974                       | 827,677.00                              | 3,324.00             | 0.40%    | 398,677.00             | 48.17%   | (395,353.00)       | -47.77%  |
| 1973 - 1975                       | 712,913.00                              | 73.00                | 0.01%    | 461,203.00             | 64.69%   | (461,130.00)       | -64.68%  |
| 1974 - 1976                       | 745,936.00                              | 530.00               | 0.07%    | 616,378.00             | 82.63%   | (615,848.00)       | -82.56%  |
| 1975 - 1977                       | 818,296.00                              | 908.00               | 0.11%    | 763,001.00             | 93.24%   | (762,093.00)       | -93.13%  |
| 1976 - 1978                       | 794,488.00                              | 1,405.00             | 0.18%    | 846,555.00             | 106.55%  | (845,150.00)       | -106.38% |
| 1977 - 1979                       | 776,797.00                              | 875.00               | 0.11%    | 762,100.00             | 98.11%   | (761,225.00)       | -98.00%  |
| 1978 - 1980                       | 929,930.00                              | 497.00               | 0.05%    | 764,598.00             | 82.22%   | (764,101.00)       | -82.17%  |
| 1979 - 1981                       | 968,564.00                              | 0.00                 | 0.00%    | 640,484.00             | 66.13%   | (640,484.00)       | -66.13%  |
| 1980 - 1982                       | 818,202.00                              | 0.00                 | 0.00%    | 548,889.00             | 67.08%   | (548,889.00)       | -67.08%  |
| 1981 - 1983                       | 673,522.00                              | 0.00                 | 0.00%    | 510,829.00             | 75.84%   | (510,829.00)       | -75.84%  |
| 1982 - 1984                       | 1,176,195.00                            | 0.00                 | 0.00%    | 922,391.00             | 78.42%   | (922,391.00)       | -78.42%  |
| 1983 - 1985                       | 1,360,298.00                            | 23,690.00            | 1.74%    | 1,155,288.00           | 84.93%   | (1,131,598.00)     | -83.19%  |
| 1984 - 1986                       | 1,356,432.00                            | 23,690.00            | 1.75%    | 1,142,155.00           | 84.20%   | (1,118,465.00)     | -82.46%  |
| 1985 - 1987                       | 782,862.00                              | 23,690.00            | 3.03%    | 836,655.00             | 106.87%  | (812,965.00)       | -103.85% |
| 1986 - 1988                       | 579,865.00                              | 67.00                | 0.01%    | 559,094.00             | 96.42%   | (559,027.00)       | -96.41%  |
| 1987 - 1989                       | 557,379.00                              | 67.00                | 0.01%    | 492,046.00             | 88.28%   | (491,979.00)       | -88.27%  |
| 1988 - 1990                       | 546,488.00                              | 67.00                | 0.01%    | 400,380.00             | 73.26%   | (400,313.00)       | -73.25%  |
| 1989 - 1991                       | 947,200.00                              | 6.00                 | 0.00%    | 655,913.00             | 69.25%   | (655,907.00)       | -69.25%  |
| 1990 - 1992                       | 1,124,724.00                            | 6.00                 | 0.00%    | 850,872.00             | 75.65%   | (850,866.00)       | -75.65%  |
| 1991 - 1993                       | 1,231,107.00                            | 6.00                 | 0.00%    | 895,256.00             | 72.72%   | (895,250.00)       | -72.72%  |
| 1992 - 1994                       | 882,640.00                              | 20.00                | 0.00%    | 649,060.00             | 73.54%   | (649,040.00)       | -73.53%  |
| 1993 - 1995                       | 528,831.00                              | 20.00                | 0.00%    | 329,094.00             | 62.23%   | (329,074.00)       | -62.23%  |
| 1994 - 1996                       | 460,224.00                              | 20.00                | 0.00%    | 225,568.00             | 49.01%   | (225,548.00)       | -49.01%  |
| 1995 - 1997                       | 549,347.00                              | 0.00                 | 0.00%    | 288,643.00             | 52.54%   | (288,643.00)       | -52.54%  |
| 1996 - 1998                       | 779,258.00                              | 0.00                 | 0.00%    | 424,649.00             | 54.49%   | (424,649.00)       | -54.49%  |
| 1997 - 1999                       | 1,143,043.00                            | 0.00                 | 0.00%    | 788,870.00             | 69.01%   | (788,870.00)       | -69.01%  |

# Rochester Gas & Electric Gas Plant

**376.10 MAINS - STEEL**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007**

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 1998 - 2000                       | 2,153,543.00            | 3,204.00             | 0.15%    | 1,414,360.00           | 65.68%   | (1,411,156.00)     | -65.53%  |
| 1999 - 2001                       | 3,023,026.51            | 3,204.00             | 0.11%    | 1,911,286.44           | 63.22%   | (1,908,082.44)     | -63.12%  |
| 2000 - 2002                       | 2,917,567.76            | 3,204.00             | 0.11%    | 2,032,574.30           | 69.67%   | (2,029,370.30)     | -69.56%  |
| 2001 - 2003                       | 2,508,006.02            | 0.00                 | 0.00%    | 1,906,776.70           | 76.03%   | (1,906,776.70)     | -76.03%  |
| 2002 - 2004                       | 3,736,330.83            | 0.00                 | 0.00%    | 1,336,690.84           | 35.78%   | (1,336,690.84)     | -35.78%  |
| 2003 - 2005                       | 3,438,695.79            | 4,854.88             | 0.14%    | 912,113.23             | 26.52%   | (907,258.35)       | -26.38%  |
| 2004 - 2006                       | 2,641,016.41            | 9,709.76             | 0.37%    | 411,465.08             | 15.58%   | (401,755.32)       | -15.21%  |
| 2005 - 2007                       | 492,599.68              | 15,296.84            | 3.11%    | 861,122.77             | 174.81%  | (845,825.93)       | -171.71% |
| 1970 - 2007                       | 15,204,634.02           | 66,712.84            | 0.44     | 9,879,506.05           | 64.98    | (9,812,793.21)     | -64.54   |

**Trend Analysis (End Year) 2007**

**\*Based Upon Three - Year Rolling Averages**

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 70.0  |
| Average Retirement Age (Yrs)     | 24.9  |
| Years To ASL                     | 45.1  |
| Inflation Factor At 2.75% to ASL | 3.40  |

## Gross Salvage Linear Trend Analysis

|           |                 |       |
|-----------|-----------------|-------|
| 1988-2007 | 20 - Year Trend | 0.75% |
| 1993-2007 | 15 - Year Trend | 0.98% |
| 1998-2007 | 10 - Year Trend | 1.40% |
| 2003-2007 | 5 - Year Trend  | 2.70% |

## **> Forecasted**

|                            |                 |
|----------------------------|-----------------|
| <b>Gross Salvage</b>       | <b>2.70%</b>    |
| <b>( Five Year Trend )</b> |                 |
| <b>Cost Of Removal</b>     | <b>220.79%</b>  |
| <b>Net Salvage</b>         | <b>-218.09%</b> |

***Rochester Gas & Electric***  
***Gas Plant***  
***376.20 MAINS - PLASTIC***  
***Forecasted Future Net Salvage***  
***Based Upon Experienced Net Salvage 1975 - 2007***

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1975                   | 53,206.00               | 0.00                 | 0.00%    | 80,995.00              | 152.23%  | (80,995.00)        | -152.23% |
| 1976                   | 105,053.00              | 0.00                 | 0.00%    | 162,103.00             | 154.31%  | (162,103.00)       | -154.31% |
| 1977                   | 112,201.00              | 0.00                 | 0.00%    | 149,106.00             | 132.89%  | (149,106.00)       | -132.89% |
| 1978                   | 59,417.00               | 0.00                 | 0.00%    | 121,838.00             | 205.06%  | (121,838.00)       | -205.06% |
| 1979                   | 74,814.00               | 0.00                 | 0.00%    | 94,584.00              | 126.43%  | (94,584.00)        | -126.43% |
| 1980                   | 130,000.00              | 0.00                 | 0.00%    | 156,833.00             | 120.64%  | (156,833.00)       | -120.64% |
| 1981                   | 56,451.00               | 0.00                 | 0.00%    | 74,715.00              | 132.35%  | (74,715.00)        | -132.35% |
| 1982                   | 31,978.00               | 0.00                 | 0.00%    | 70,320.00              | 219.90%  | (70,320.00)        | -219.90% |
| 1983                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1984                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1985                   | 106,494.00              | 0.00                 | 0.00%    | 187,272.00             | 175.85%  | (187,272.00)       | -175.85% |
| 1986                   | 136,797.00              | 0.00                 | 0.00%    | 108,251.00             | 79.13%   | (108,251.00)       | -79.13%  |
| 1987                   | 179,063.00              | 400.00               | 0.22%    | 140,498.00             | 78.46%   | (140,098.00)       | -78.24%  |
| 1988                   | 23,148.00               | 0.00                 | 0.00%    | 60,191.00              | 260.03%  | (60,191.00)        | -260.03% |
| 1989                   | 83,145.00               | 0.00                 | 0.00%    | 71,796.00              | 86.35%   | (71,796.00)        | -86.35%  |
| 1990                   | 43,768.00               | 0.00                 | 0.00%    | 47,379.00              | 108.25%  | (47,379.00)        | -108.25% |
| 1991                   | 139,274.00              | 0.00                 | 0.00%    | 130,796.00             | 93.91%   | (130,796.00)       | -93.91%  |
| 1992                   | 103,302.00              | 0.00                 | 0.00%    | 98,155.00              | 95.02%   | (98,155.00)        | -95.02%  |
| 1993                   | 51,968.00               | 73.00                | 0.14%    | 45,647.00              | 87.84%   | (45,574.00)        | -87.70%  |
| 1994                   | 29,272.00               | 0.00                 | 0.00%    | 23,975.00              | 81.90%   | (23,975.00)        | -81.90%  |
| 1995                   | 21,187.00               | 0.00                 | 0.00%    | 41,328.00              | 195.06%  | (41,328.00)        | -195.06% |
| 1996                   | 12,313.00               | 0.00                 | 0.00%    | 9,237.00               | 75.02%   | (9,237.00)         | -75.02%  |
| 1997                   | 26,376.00               | 0.00                 | 0.00%    | 20,068.00              | 76.08%   | (20,068.00)        | -76.08%  |
| 1998                   | 32,012.00               | 0.00                 | 0.00%    | 19,037.00              | 59.47%   | (19,037.00)        | -59.47%  |
| 1999                   | 87,957.00               | 0.00                 | 0.00%    | 121,647.00             | 138.30%  | (121,647.00)       | -138.30% |
| 2000                   | 153,120.00              | 379.00               | 0.25%    | 172,775.00             | 112.84%  | (172,396.00)       | -112.59% |
| 2001                   | 124,957.61              | 0.00                 | 0.00%    | 114,554.15             | 91.67%   | (114,554.15)       | -91.67%  |
| 2002                   | 27,018.93               | 0.00                 | 0.00%    | 4,739.18               | 17.54%   | (4,739.18)         | -17.54%  |

**Rochester Gas & Electric  
Gas Plant**

376.20 MAINS - PLASTIC

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1975 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |           |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|-----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u>  |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |           |
| 2003                   | 57,614.16               | 0.00                 | 0.00%    | 24,206.35              | 42.01%   | (24,206.35)        | -42.01%   |
| 2004                   | 237,638.59              | 0.00                 | 0.00%    | 155,827.58             | 65.57%   | (155,827.58)       | -65.57%   |
| 2005                   | 8,901.54                | 3,858.89             | 43.35%   | 137,348.48             | 1542.97% | (133,489.59)       | -1499.62% |
| 2006                   | 2,377.40                | 3,858.89             | 162.32%  | 137,348.48             | 5777.26% | (133,489.59)       | -5614.94% |
| 2007                   | 10,485.85               | 84,182.38            | 802.82%  | 42,817.39              | 408.33%  | 41,364.99          | 394.48%   |

**Rochester Gas & Electric**  
**Gas Plant**  
**376.20 MAINS - PLASTIC**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1975 - 2007**

| <u>Year</u>                       | <u>Original Cost Of<br/>Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-----------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   |                                         | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                                         |                      |          |                        |          |                    |          |
| 1975 - 1977                       | 270,460.00                              | 0.00                 | 0.00%    | 392,204.00             | 145.01%  | (392,204.00)       | -145.01% |
| 1976 - 1978                       | 276,671.00                              | 0.00                 | 0.00%    | 433,047.00             | 156.52%  | (433,047.00)       | -156.52% |
| 1977 - 1979                       | 246,432.00                              | 0.00                 | 0.00%    | 365,528.00             | 148.33%  | (365,528.00)       | -148.33% |
| 1978 - 1980                       | 264,231.00                              | 0.00                 | 0.00%    | 373,255.00             | 141.26%  | (373,255.00)       | -141.26% |
| 1979 - 1981                       | 261,265.00                              | 0.00                 | 0.00%    | 326,132.00             | 124.83%  | (326,132.00)       | -124.83% |
| 1980 - 1982                       | 218,429.00                              | 0.00                 | 0.00%    | 301,868.00             | 138.20%  | (301,868.00)       | -138.20% |
| 1981 - 1983                       | 88,429.00                               | 0.00                 | 0.00%    | 145,035.00             | 164.01%  | (145,035.00)       | -164.01% |
| 1982 - 1984                       | 31,978.00                               | 0.00                 | 0.00%    | 70,320.00              | 219.90%  | (70,320.00)        | -219.90% |
| 1983 - 1985                       | 106,494.00                              | 0.00                 | 0.00%    | 187,272.00             | 175.85%  | (187,272.00)       | -175.85% |
| 1984 - 1986                       | 243,291.00                              | 0.00                 | 0.00%    | 295,523.00             | 121.47%  | (295,523.00)       | -121.47% |
| 1985 - 1987                       | 422,354.00                              | 400.00               | 0.09%    | 436,021.00             | 103.24%  | (435,621.00)       | -103.14% |
| 1986 - 1988                       | 339,008.00                              | 400.00               | 0.12%    | 308,940.00             | 91.13%   | (308,540.00)       | -91.01%  |
| 1987 - 1989                       | 285,356.00                              | 400.00               | 0.14%    | 272,485.00             | 95.49%   | (272,085.00)       | -95.35%  |
| 1988 - 1990                       | 150,061.00                              | 0.00                 | 0.00%    | 179,366.00             | 119.53%  | (179,366.00)       | -119.53% |
| 1989 - 1991                       | 266,187.00                              | 0.00                 | 0.00%    | 249,971.00             | 93.91%   | (249,971.00)       | -93.91%  |
| 1990 - 1992                       | 286,344.00                              | 0.00                 | 0.00%    | 276,330.00             | 96.50%   | (276,330.00)       | -96.50%  |
| 1991 - 1993                       | 294,544.00                              | 73.00                | 0.02%    | 274,598.00             | 93.23%   | (274,525.00)       | -93.20%  |
| 1992 - 1994                       | 184,542.00                              | 73.00                | 0.04%    | 167,777.00             | 90.92%   | (167,704.00)       | -90.88%  |
| 1993 - 1995                       | 102,427.00                              | 73.00                | 0.07%    | 110,950.00             | 108.32%  | (110,877.00)       | -108.25% |
| 1994 - 1996                       | 62,772.00                               | 0.00                 | 0.00%    | 74,540.00              | 118.75%  | (74,540.00)        | -118.75% |
| 1995 - 1997                       | 59,876.00                               | 0.00                 | 0.00%    | 70,633.00              | 117.97%  | (70,633.00)        | -117.97% |
| 1996 - 1998                       | 70,701.00                               | 0.00                 | 0.00%    | 48,342.00              | 68.38%   | (48,342.00)        | -68.38%  |
| 1997 - 1999                       | 146,345.00                              | 0.00                 | 0.00%    | 160,752.00             | 109.84%  | (160,752.00)       | -109.84% |
| 1998 - 2000                       | 273,089.00                              | 379.00               | 0.14%    | 313,459.00             | 114.78%  | (313,080.00)       | -114.64% |
| 1999 - 2001                       | 366,034.61                              | 379.00               | 0.10%    | 408,976.15             | 111.73%  | (408,597.15)       | -111.63% |
| 2000 - 2002                       | 305,096.54                              | 379.00               | 0.12%    | 292,068.33             | 95.73%   | (291,689.33)       | -95.61%  |
| 2001 - 2003                       | 209,590.70                              | 0.00                 | 0.00%    | 143,499.68             | 68.47%   | (143,499.68)       | -68.47%  |
| 2002 - 2004                       | 322,271.68                              | 0.00                 | 0.00%    | 184,773.11             | 57.33%   | (184,773.11)       | -57.33%  |

**Rochester Gas & Electric  
Gas Plant**

**376.20 MAINS - PLASTIC**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1975 - 2007**

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> | <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> | <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> | <u>%</u> |
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|

**Three - Year Rolling Bands**

|             |            |           |         |            |          |              |           |
|-------------|------------|-----------|---------|------------|----------|--------------|-----------|
| 2003 - 2005 | 304,154.29 | 3,858.89  | 1.27%   | 317,382.41 | 104.35%  | (313,523.52) | -103.08%  |
| 2004 - 2006 | 248,917.53 | 7,717.78  | 3.10%   | 430,524.54 | 172.96%  | (422,806.76) | -169.86%  |
| 2005 - 2007 | 21,764.79  | 91,900.16 | 422.24% | 317,514.35 | 1458.84% | (225,614.19) | -1036.60% |

|             |              |           |      |              |        |                |         |
|-------------|--------------|-----------|------|--------------|--------|----------------|---------|
| 1975 - 2007 | 2,321,310.08 | 92,752.16 | 4.00 | 2,825,387.61 | 121.72 | (2,732,635.45) | -117.72 |
|-------------|--------------|-----------|------|--------------|--------|----------------|---------|

**Trend Analysis (End Year)                      2007**

**\*Based Upon Three - Year Rolling Averages**

**Gross Salvage  
Linear Trend Analysis**

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 60.0  |
| Average Retirement Age (Yrs)     | 10.0  |
| Years To ASL                     | 50.0  |
| Inflation Factor At 2.75% to ASL | 3.88  |

|           |                 |         |
|-----------|-----------------|---------|
| 1988-2007 | 20 - Year Trend | 85.25%  |
| 1993-2007 | 15 - Year Trend | 113.62% |
| 1998-2007 | 10 - Year Trend | 170.27% |
| 2003-2007 | 5 - Year Trend  | 339.60% |

**Forecasted**

|                     |          |
|---------------------|----------|
| Gross Salvage       | 339.60%  |
| ( Five Year Trend ) |          |
| Cost Of Removal     | 471.96%  |
| Net Salvage         | -132.36% |

**Rochester Gas & Electric  
Gas Plant**

**376.30 MAINS - CAST IRON**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 2002 - 2007**

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 2002 - 2004                       | 391,992.62              | 0.00                 | 0.00%    | 354,891.37             | 90.54%   | (354,891.37)       | -90.54%  |
| 2003 - 2005                       | 349,833.69              | 4,854.88             | 1.39%    | 341,505.67             | 97.62%   | (336,650.79)       | -96.23%  |
| 2004 - 2006                       | 160,242.72              | 9,709.76             | 6.06%    | 131,887.76             | 82.30%   | (122,178.00)       | -76.25%  |
| 2005 - 2007                       | 272,372.40              | 15,296.83            | 5.62%    | 296,241.44             | 108.76%  | (280,944.61)       | -103.15% |
| 2002 - 2007                       | 664,365.02              | 15,296.83            | 2.30     | 651,132.81             | 98.01    | (635,835.98)       | -95.71   |

**Trend Analysis (End Year) 2007**

**\*Based Upon Three - Year Rolling Averages**

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 60.0  |
| Average Retirement Age (Yrs)     | 81.8  |
| Years To ASL                     | -21.8 |
| Inflation Factor At 2.75% to ASL | 0.55  |

**Gross Salvage  
Linear Trend Analysis**

|           |                 |       |
|-----------|-----------------|-------|
| 1988-2007 | 20 - Year Trend | 3.27% |
| 1993-2007 | 15 - Year Trend | 3.27% |
| 1998-2007 | 10 - Year Trend | 3.27% |
| 2003-2007 | 5 - Year Trend  | 3.27% |

**Forecasted**

|                        |         |
|------------------------|---------|
| <b>Gross Salvage</b>   | 3.27%   |
| ( Five Year Trend )    |         |
| <b>Cost Of Removal</b> | 54.32%  |
| <b>Net Salvage</b>     | -51.04% |

***Rochester Gas & Electric  
Gas Plant  
376.30 MAINS - CAST IRON  
Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 2002 - 2007***

| <u>Year</u>            | <u>Original Cost Of<br/>Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-----------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        |                                         | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                                         |                      |          |                        |          |                    |          |
| 2002                   | 75,443.61                               | 0.00                 | 0.00%    | 142,574.44             | 188.98%  | (142,574.44)       | -188.98% |
| 2003                   | 213,953.87                              | 0.00                 | 0.00%    | 338,806.65             | 158.35%  | (338,806.65)       | -158.35% |
| 2004                   | 102,595.14                              | 0.00                 | 0.00%    | (126,489.72)           | -123.29% | 126,489.72         | 123.29%  |
| 2005                   | 33,284.68                               | 4,854.88             | 14.59%   | 129,188.74             | 388.13%  | (124,333.86)       | -373.55% |
| 2006                   | 24,362.90                               | 4,854.88             | 19.93%   | 129,188.74             | 530.27%  | (124,333.86)       | -510.34% |
| 2007                   | 214,724.82                              | 5,587.07             | 2.60%    | 37,863.96              | 17.63%   | (32,276.89)        | -15.03%  |

***Rochester Gas & Electric  
Gas Plant***

***376.40 MAINS - VALVE GT 4 INCH***

***Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 2007 - 2007***

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 2007                   | 0.00                    | 0.00                 | 0.00%    | 6,084.41               | 0.00%    | (6,084.41)         | 0.00%    |

# Rochester Gas & Electric Gas Plant

## 378.10 MEAS. & REG. STATION EQUIP. - INSIDE

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1961                   | 7,414.00                | 0.00                 | 0.00%    | 674.00                 | 9.09%    | (674.00)           | -9.09%   |
| 1962                   | 51,332.00               | 3,643.00             | 7.10%    | 1,325.00               | 2.58%    | 2,318.00           | 4.52%    |
| 1963                   | 20,154.00               | 1,088.00             | 5.40%    | 1,127.00               | 5.59%    | (39.00)            | -0.19%   |
| 1964                   | 873.00                  | 5,259.00             | 602.41%  | 193.00                 | 22.11%   | 5,066.00           | 580.30%  |
| 1965                   | 17,209.00               | 3,425.00             | 19.90%   | 25.00                  | 0.15%    | 3,400.00           | 19.76%   |
| 1966                   | 1,670.00                | 113.00               | 6.77%    | 248.00                 | 14.85%   | (135.00)           | -8.08%   |
| 1967                   | 0.00                    | 850.00               | 0.00%    | 792.00                 | 0.00%    | 58.00              | 0.00%    |
| 1968                   | 2,678.00                | 0.00                 | 0.00%    | 516.00                 | 19.27%   | (516.00)           | -19.27%  |
| 1969                   | 91.00                   | 0.00                 | 0.00%    | 28.00                  | 30.77%   | (28.00)            | -30.77%  |
| 1970                   | 178.00                  | 112.00               | 62.92%   | 0.00                   | 0.00%    | 112.00             | 62.92%   |
| 1971                   | 14,115.00               | 0.00                 | 0.00%    | 28.00                  | 0.20%    | (28.00)            | -0.20%   |
| 1972                   | 84,224.00               | 0.00                 | 0.00%    | 3,831.00               | 4.55%    | (3,831.00)         | -4.55%   |
| 1973                   | 23,044.00               | 0.00                 | 0.00%    | 937.00                 | 4.07%    | (937.00)           | -4.07%   |
| 1974                   | 989.00                  | 0.00                 | 0.00%    | 4,442.00               | 449.14%  | (4,442.00)         | -449.14% |
| 1975                   | 1,263.00                | 0.00                 | 0.00%    | 258.00                 | 20.43%   | (258.00)           | -20.43%  |
| 1976                   | 7,291.00                | 258.00               | 3.54%    | 878.00                 | 12.04%   | (620.00)           | -8.50%   |
| 1977                   | 77,829.00               | 0.00                 | 0.00%    | 1,986.00               | 2.55%    | (1,986.00)         | -2.55%   |
| 1978                   | 0.00                    | 6,144.00             | 0.00%    | 12,228.00              | 0.00%    | (6,084.00)         | 0.00%    |
| 1979                   | 7,258.00                | 1,400.00             | 19.29%   | 921.00                 | 12.69%   | 479.00             | 6.60%    |
| 1980                   | 92,868.00               | 0.00                 | 0.00%    | 1,351.00               | 1.45%    | (1,351.00)         | -1.45%   |
| 1981                   | 9,255.00                | 0.00                 | 0.00%    | 4,136.00               | 44.69%   | (4,136.00)         | -44.69%  |
| 1982                   | 7,521.00                | 0.00                 | 0.00%    | 771.00                 | 10.25%   | (771.00)           | -10.25%  |
| 1983                   | 3,590.00                | 0.00                 | 0.00%    | 174.00                 | 4.85%    | (174.00)           | -4.85%   |
| 1984                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1985                   | 21,151.00               | 0.00                 | 0.00%    | 446.00                 | 2.11%    | (446.00)           | -2.11%   |
| 1986                   | 68,988.00               | 0.00                 | 0.00%    | 3,902.00               | 5.66%    | (3,902.00)         | -5.66%   |
| 1987                   | 8,254.00                | 389.00               | 4.71%    | 5,770.00               | 69.91%   | (5,381.00)         | -65.19%  |
| 1988                   | 11,946.00               | 0.00                 | 0.00%    | 5,089.00               | 42.60%   | (5,089.00)         | -42.60%  |

**Rochester Gas & Electric  
Gas Plant**

**378.10 MEAS. & REG. STATION EQUIP. - INSIDE**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1989                   | 2,874.00                | 0.00                 | 0.00%    | 736.00                 | 25.61%   | (736.00)           | -25.61%  |
| 1990                   | 25,221.00               | 0.00                 | 0.00%    | 60,786.00              | 241.01%  | (60,786.00)        | -241.01% |
| 1991                   | 1,247.00                | 0.00                 | 0.00%    | 176.00                 | 14.11%   | (176.00)           | -14.11%  |
| 1992                   | 1,243.00                | 0.00                 | 0.00%    | 4,879.00               | 392.52%  | (4,879.00)         | -392.52% |
| 1993                   | 21,124.00               | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1994                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1995                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1996                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1997                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1998                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1999                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2000                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2001                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2002                   | 22,656.08               | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2004                   | 0.00                    | 0.00                 | 0.00%    | 1,950.87               | 0.00%    | (1,950.87)         | 0.00%    |
| 2005                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2006                   | 493,732.25              | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2007                   | 30,069.25               | 0.00                 | 0.00%    | 38,379.77              | 127.64%  | (38,379.77)        | -127.64% |

# Rochester Gas & Electric Gas Plant

378.10 MEAS. & REG. STATION EQUIP. - INSIDE

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>                       | <u>Original Cost Of<br/>Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-----------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   |                                         | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                                         |                      |          |                        |          |                    |          |
| 1961 - 1963                       | 78,900.00                               | 4,731.00             | 6.00%    | 3,126.00               | 3.96%    | 1,605.00           | 2.03%    |
| 1962 - 1964                       | 72,359.00                               | 9,990.00             | 13.81%   | 2,645.00               | 3.66%    | 7,345.00           | 10.15%   |
| 1963 - 1965                       | 38,236.00                               | 9,772.00             | 25.56%   | 1,345.00               | 3.52%    | 8,427.00           | 22.04%   |
| 1964 - 1966                       | 19,752.00                               | 8,797.00             | 44.54%   | 466.00                 | 2.36%    | 8,331.00           | 42.18%   |
| 1965 - 1967                       | 18,879.00                               | 4,388.00             | 23.24%   | 1,065.00               | 5.64%    | 3,323.00           | 17.60%   |
| 1966 - 1968                       | 4,348.00                                | 963.00               | 22.15%   | 1,556.00               | 35.79%   | (593.00)           | -13.64%  |
| 1967 - 1969                       | 2,769.00                                | 850.00               | 30.70%   | 1,336.00               | 48.25%   | (486.00)           | -17.55%  |
| 1968 - 1970                       | 2,947.00                                | 112.00               | 3.80%    | 544.00                 | 18.46%   | (432.00)           | -14.66%  |
| 1969 - 1971                       | 14,384.00                               | 112.00               | 0.78%    | 56.00                  | 0.39%    | 56.00              | 0.39%    |
| 1970 - 1972                       | 98,517.00                               | 112.00               | 0.11%    | 3,859.00               | 3.92%    | (3,747.00)         | -3.80%   |
| 1971 - 1973                       | 121,383.00                              | 0.00                 | 0.00%    | 4,796.00               | 3.95%    | (4,796.00)         | -3.95%   |
| 1972 - 1974                       | 108,257.00                              | 0.00                 | 0.00%    | 9,210.00               | 8.51%    | (9,210.00)         | -8.51%   |
| 1973 - 1975                       | 25,296.00                               | 0.00                 | 0.00%    | 5,637.00               | 22.28%   | (5,637.00)         | -22.28%  |
| 1974 - 1976                       | 9,543.00                                | 258.00               | 2.70%    | 5,578.00               | 58.45%   | (5,320.00)         | -55.75%  |
| 1975 - 1977                       | 86,383.00                               | 258.00               | 0.30%    | 3,122.00               | 3.61%    | (2,864.00)         | -3.32%   |
| 1976 - 1978                       | 85,120.00                               | 6,402.00             | 7.52%    | 15,092.00              | 17.73%   | (8,690.00)         | -10.21%  |
| 1977 - 1979                       | 85,087.00                               | 7,544.00             | 8.87%    | 15,135.00              | 17.79%   | (7,591.00)         | -8.92%   |
| 1978 - 1980                       | 100,126.00                              | 7,544.00             | 7.53%    | 14,500.00              | 14.48%   | (6,956.00)         | -6.95%   |
| 1979 - 1981                       | 109,381.00                              | 1,400.00             | 1.28%    | 6,408.00               | 5.86%    | (5,008.00)         | -4.58%   |
| 1980 - 1982                       | 109,644.00                              | 0.00                 | 0.00%    | 6,258.00               | 5.71%    | (6,258.00)         | -5.71%   |
| 1981 - 1983                       | 20,366.00                               | 0.00                 | 0.00%    | 5,081.00               | 24.95%   | (5,081.00)         | -24.95%  |
| 1982 - 1984                       | 11,111.00                               | 0.00                 | 0.00%    | 945.00                 | 8.51%    | (945.00)           | -8.51%   |
| 1983 - 1985                       | 24,741.00                               | 0.00                 | 0.00%    | 620.00                 | 2.51%    | (620.00)           | -2.51%   |
| 1984 - 1986                       | 90,139.00                               | 0.00                 | 0.00%    | 4,348.00               | 4.82%    | (4,348.00)         | -4.82%   |
| 1985 - 1987                       | 98,393.00                               | 389.00               | 0.40%    | 10,118.00              | 10.28%   | (9,729.00)         | -9.89%   |
| 1986 - 1988                       | 89,188.00                               | 389.00               | 0.44%    | 14,761.00              | 16.55%   | (14,372.00)        | -16.11%  |
| 1987 - 1989                       | 23,074.00                               | 389.00               | 1.69%    | 11,595.00              | 50.25%   | (11,206.00)        | -48.57%  |
| 1988 - 1990                       | 40,041.00                               | 0.00                 | 0.00%    | 66,611.00              | 166.36%  | (66,611.00)        | -166.36% |

**Rochester Gas & Electric  
Gas Plant**

**378.10 MEAS. & REG. STATION EQUIP. - INSIDE**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 1989 - 1991                       | 29,342.00               | 0.00                 | 0.00%    | 61,698.00              | 210.27%  | (61,698.00)        | -210.27% |
| 1990 - 1992                       | 27,711.00               | 0.00                 | 0.00%    | 65,841.00              | 237.60%  | (65,841.00)        | -237.60% |
| 1991 - 1993                       | 23,614.00               | 0.00                 | 0.00%    | 5,055.00               | 21.41%   | (5,055.00)         | -21.41%  |
| 1992 - 1994                       | 22,367.00               | 0.00                 | 0.00%    | 4,879.00               | 21.81%   | (4,879.00)         | -21.81%  |
| 1993 - 1995                       | 21,124.00               | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1994 - 1996                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1995 - 1997                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1996 - 1998                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1997 - 1999                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1998 - 2000                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1999 - 2001                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2000 - 2002                       | 22,656.08               | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2001 - 2003                       | 22,656.08               | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2002 - 2004                       | 22,656.08               | 0.00                 | 0.00%    | 1,950.87               | 8.61%    | (1,950.87)         | -8.61%   |
| 2003 - 2005                       | 0.00                    | 0.00                 | 0.00%    | 1,950.87               | 0.00%    | (1,950.87)         | 0.00%    |
| 2004 - 2006                       | 493,732.25              | 0.00                 | 0.00%    | 1,950.87               | 0.40%    | (1,950.87)         | -0.40%   |
| 2005 - 2007                       | 523,801.50              | 0.00                 | 0.00%    | 38,379.77              | 7.33%    | (38,379.77)        | -7.33%   |

# Rochester Gas & Electric Gas Plant

**378.10 MEAS. & REG. STATION EQUIP. - INSIDE**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u> | <u>Original Cost Of<br/>Retirements</u> | <u>Gross Salvage<br/>Amount</u> | <u>%</u> | <u>Cost of Removal<br/>Amount</u> | <u>%</u> | <u>Net Salvage<br/>Amount</u> | <u>%</u> |
|-------------|-----------------------------------------|---------------------------------|----------|-----------------------------------|----------|-------------------------------|----------|
|-------------|-----------------------------------------|---------------------------------|----------|-----------------------------------|----------|-------------------------------|----------|

## Three - Year Rolling Bands

|             |              |           |      |            |       |              |        |
|-------------|--------------|-----------|------|------------|-------|--------------|--------|
| 1961 - 2007 | 1,139,351.58 | 22,681.00 | 1.99 | 158,983.64 | 13.95 | (136,302.64) | -11.96 |
|-------------|--------------|-----------|------|------------|-------|--------------|--------|

Trend Analysis (End Year) 2007

\*Based Upon Three - Year Rolling Averages

|                                  |       | <u>Gross Salvage<br/>Linear Trend Analysis</u> |
|----------------------------------|-------|------------------------------------------------|
| Annual Inflation Rate            | 2.75% | 1988-2007 20 - Year Trend 0.00% *              |
| Average Service Life (ASL)       | 37.0  | 1993-2007 15 - Year Trend 0.00%                |
| Average Retirement Age (Yrs)     | 14.9  | 1998-2007 10 - Year Trend 0.00%                |
| Years To ASL                     | 22.1  | 2003-2007 5 - Year Trend 0.00%                 |
| Inflation Factor At 2.75% to ASL | 1.82  |                                                |

\*Forecasted Gross Salvage Calculates To Less Than 0.00%---Percentage Set To A Floor of 0.00%.

## Forecasted

|                     |         |
|---------------------|---------|
| Gross Salvage       | 0.00%   |
| ( Five Year Trend ) |         |
| Cost Of Removal     | 25.41%  |
| Net Salvage         | -25.41% |

# Rochester Gas & Electric Gas Plant

## 378.11 MEAS & REG. STATION EQUIP. - OUTSIDE

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1961                   | 9,000.00                | 1,325.00             | 14.72%   | 1,251.00               | 13.90%   | 74.00              | 0.82%    |
| 1962                   | 5,167.00                | 3,498.00             | 67.70%   | 1,740.00               | 33.68%   | 1,758.00           | 34.02%   |
| 1963                   | 32,460.00               | 7,729.00             | 23.81%   | 818.00                 | 2.52%    | 6,911.00           | 21.29%   |
| 1964                   | 5,201.00                | 1,889.00             | 36.32%   | 317.00                 | 6.09%    | 1,572.00           | 30.22%   |
| 1965                   | 6,907.00                | 768.00               | 11.12%   | 690.00                 | 9.99%    | 78.00              | 1.13%    |
| 1966                   | 49,776.00               | 2,787.00             | 5.60%    | 828.00                 | 1.66%    | 1,959.00           | 3.94%    |
| 1967                   | 3,923.00                | 0.00                 | 0.00%    | 348.00                 | 8.87%    | (348.00)           | -8.87%   |
| 1968                   | 17,963.00               | 412.00               | 2.29%    | 1,525.00               | 8.49%    | (1,113.00)         | -6.20%   |
| 1969                   | 11,264.00               | 2,292.00             | 20.35%   | 1,202.00               | 10.67%   | 1,090.00           | 9.68%    |
| 1970                   | 36,266.00               | 3,242.00             | 8.94%    | 7,749.00               | 21.37%   | (4,507.00)         | -12.43%  |
| 1971                   | 7,613.00                | 0.00                 | 0.00%    | 3,549.00               | 46.62%   | (3,549.00)         | -46.62%  |
| 1972                   | 66,534.00               | 1,528.00             | 2.30%    | 7,131.00               | 10.72%   | (5,603.00)         | -8.42%   |
| 1973                   | 30,817.00               | 6,063.00             | 19.67%   | 465.00                 | 1.51%    | 5,598.00           | 18.17%   |
| 1974                   | 10,571.00               | 0.00                 | 0.00%    | 1,262.00               | 11.94%   | (1,262.00)         | -11.94%  |
| 1975                   | 22,486.00               | 0.00                 | 0.00%    | 10,758.00              | 47.84%   | (10,758.00)        | -47.84%  |
| 1976                   | 48,326.00               | 0.00                 | 0.00%    | 11,955.00              | 24.74%   | (11,955.00)        | -24.74%  |
| 1977                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1978                   | 36,494.00               | 659.00               | 1.81%    | 7,606.00               | 20.84%   | (6,947.00)         | -19.04%  |
| 1979                   | 7,764.00                | 0.00                 | 0.00%    | 4,225.00               | 54.42%   | (4,225.00)         | -54.42%  |
| 1980                   | 34,851.00               | 0.00                 | 0.00%    | 11,384.00              | 32.66%   | (11,384.00)        | -32.66%  |
| 1981                   | 52,813.00               | 0.00                 | 0.00%    | 16,682.00              | 31.59%   | (16,682.00)        | -31.59%  |
| 1982                   | 12,748.00               | 0.00                 | 0.00%    | 307.00                 | 2.41%    | (307.00)           | -2.41%   |
| 1983                   | 12,537.00               | 0.00                 | 0.00%    | 6,494.00               | 51.80%   | (6,494.00)         | -51.80%  |
| 1984                   | 63,490.00               | 0.00                 | 0.00%    | 10,601.00              | 16.70%   | (10,601.00)        | -16.70%  |
| 1985                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1986                   | 15,619.00               | 0.00                 | 0.00%    | 7,076.00               | 45.30%   | (7,076.00)         | -45.30%  |
| 1987                   | 69,283.00               | 0.00                 | 0.00%    | 28,141.00              | 40.62%   | (28,141.00)        | -40.62%  |
| 1988                   | 6,998.00                | 0.00                 | 0.00%    | 7,012.00               | 100.20%  | (7,012.00)         | -100.20% |

# Rochester Gas & Electric Gas Plant

## 378.11 MEAS & REG. STATION EQUIP. - OUTSIDE

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1989                   | 34,384.00               | 0.00                 | 0.00%    | 46,301.00              | 134.66%  | (46,301.00)        | -134.66% |
| 1990                   | 18,201.00               | 0.00                 | 0.00%    | 5,947.00               | 32.67%   | (5,947.00)         | -32.67%  |
| 1991                   | 16,116.00               | 0.00                 | 0.00%    | 1,079.00               | 6.70%    | (1,079.00)         | -6.70%   |
| 1992                   | 31,393.00               | 0.00                 | 0.00%    | 9,374.00               | 29.86%   | (9,374.00)         | -29.86%  |
| 1993                   | 46,809.00               | 0.00                 | 0.00%    | 13,082.00              | 27.95%   | (13,082.00)        | -27.95%  |
| 1994                   | 26,773.00               | 0.00                 | 0.00%    | 27,398.00              | 102.33%  | (27,398.00)        | -102.33% |
| 1995                   | 0.00                    | 0.00                 | 0.00%    | 24,768.00              | 0.00%    | (24,768.00)        | 0.00%    |
| 1996                   | 1,524.00                | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1997                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1998                   | 311.00                  | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1999                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2000                   | 4,018.00                | 0.00                 | 0.00%    | 178.00                 | 4.43%    | (178.00)           | -4.43%   |
| 2001                   | 35,721.24               | -22.66               | -0.06%   | 21,614.77              | 60.51%   | (21,637.43)        | -60.57%  |
| 2002                   | 2,597.83                | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003                   | 404,190.57              | 0.00                 | 0.00%    | 111,568.27             | 27.60%   | (111,568.27)       | -27.60%  |
| 2004                   | 4,482.24                | 0.00                 | 0.00%    | 1,950.83               | 43.52%   | (1,950.83)         | -43.52%  |
| 2005                   | 0.00                    | 0.00                 | 0.00%    | 60,791.96              | 0.00%    | (60,791.96)        | 0.00%    |
| 2006                   | 572,967.77              | 0.00                 | 0.00%    | 60,791.96              | 10.61%   | (60,791.96)        | -10.61%  |
| 2007                   | 101,091.49              | 0.00                 | 0.00%    | 21,725.81              | 21.49%   | (21,725.81)        | -21.49%  |

**Rochester Gas & Electric  
Gas Plant**

**378.11 MEAS & REG. STATION EQUIP. - OUTSIDE**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u>                       | <u>Original Cost Of Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   |                                     | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                                     |                      |          |                        |          |                    |          |
| 1961 - 1963                       | 46,627.00                           | 12,552.00            | 26.92%   | 3,809.00               | 8.17%    | 8,743.00           | 18.75%   |
| 1962 - 1964                       | 42,828.00                           | 13,116.00            | 30.62%   | 2,875.00               | 6.71%    | 10,241.00          | 23.91%   |
| 1963 - 1965                       | 44,568.00                           | 10,386.00            | 23.30%   | 1,825.00               | 4.09%    | 8,561.00           | 19.21%   |
| 1964 - 1966                       | 61,884.00                           | 5,444.00             | 8.80%    | 1,835.00               | 2.97%    | 3,609.00           | 5.83%    |
| 1965 - 1967                       | 60,606.00                           | 3,555.00             | 5.87%    | 1,866.00               | 3.08%    | 1,689.00           | 2.79%    |
| 1966 - 1968                       | 71,662.00                           | 3,199.00             | 4.46%    | 2,701.00               | 3.77%    | 498.00             | 0.69%    |
| 1967 - 1969                       | 33,150.00                           | 2,704.00             | 8.16%    | 3,075.00               | 9.28%    | (371.00)           | -1.12%   |
| 1968 - 1970                       | 65,493.00                           | 5,946.00             | 9.08%    | 10,476.00              | 16.00%   | (4,530.00)         | -6.92%   |
| 1969 - 1971                       | 55,143.00                           | 5,534.00             | 10.04%   | 12,500.00              | 22.67%   | (6,966.00)         | -12.63%  |
| 1970 - 1972                       | 110,413.00                          | 4,770.00             | 4.32%    | 18,429.00              | 16.69%   | (13,659.00)        | -12.37%  |
| 1971 - 1973                       | 104,964.00                          | 7,591.00             | 7.23%    | 11,145.00              | 10.62%   | (3,554.00)         | -3.39%   |
| 1972 - 1974                       | 107,922.00                          | 7,591.00             | 7.03%    | 8,858.00               | 8.21%    | (1,267.00)         | -1.17%   |
| 1973 - 1975                       | 63,874.00                           | 6,063.00             | 9.49%    | 12,485.00              | 19.55%   | (6,422.00)         | -10.05%  |
| 1974 - 1976                       | 81,383.00                           | 0.00                 | 0.00%    | 23,975.00              | 29.46%   | (23,975.00)        | -29.46%  |
| 1975 - 1977                       | 70,812.00                           | 0.00                 | 0.00%    | 22,713.00              | 32.08%   | (22,713.00)        | -32.08%  |
| 1976 - 1978                       | 84,820.00                           | 659.00               | 0.78%    | 19,561.00              | 23.06%   | (18,902.00)        | -22.28%  |
| 1977 - 1979                       | 44,258.00                           | 659.00               | 1.49%    | 11,831.00              | 26.73%   | (11,172.00)        | -25.24%  |
| 1978 - 1980                       | 79,109.00                           | 659.00               | 0.83%    | 23,215.00              | 29.35%   | (22,556.00)        | -28.51%  |
| 1979 - 1981                       | 95,428.00                           | 0.00                 | 0.00%    | 32,291.00              | 33.84%   | (32,291.00)        | -33.84%  |
| 1980 - 1982                       | 100,412.00                          | 0.00                 | 0.00%    | 28,373.00              | 28.26%   | (28,373.00)        | -28.26%  |
| 1981 - 1983                       | 78,098.00                           | 0.00                 | 0.00%    | 23,483.00              | 30.07%   | (23,483.00)        | -30.07%  |
| 1982 - 1984                       | 88,775.00                           | 0.00                 | 0.00%    | 17,402.00              | 19.60%   | (17,402.00)        | -19.60%  |
| 1983 - 1985                       | 76,027.00                           | 0.00                 | 0.00%    | 17,095.00              | 22.49%   | (17,095.00)        | -22.49%  |
| 1984 - 1986                       | 79,109.00                           | 0.00                 | 0.00%    | 17,677.00              | 22.35%   | (17,677.00)        | -22.35%  |
| 1985 - 1987                       | 84,902.00                           | 0.00                 | 0.00%    | 35,217.00              | 41.48%   | (35,217.00)        | -41.48%  |
| 1986 - 1988                       | 91,900.00                           | 0.00                 | 0.00%    | 42,229.00              | 45.95%   | (42,229.00)        | -45.95%  |
| 1987 - 1989                       | 110,665.00                          | 0.00                 | 0.00%    | 81,454.00              | 73.60%   | (81,454.00)        | -73.60%  |
| 1988 - 1990                       | 59,583.00                           | 0.00                 | 0.00%    | 59,260.00              | 99.46%   | (59,260.00)        | -99.46%  |

**Rochester Gas & Electric  
Gas Plant**

**378.11 MEAS & REG. STATION EQUIP. - OUTSIDE**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |           |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|-----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u>  |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |           |
| 1989 - 1991                       | 68,701.00               | 0.00                 | 0.00%    | 53,327.00              | 77.62%   | (53,327.00)        | -77.62%   |
| 1990 - 1992                       | 65,710.00               | 0.00                 | 0.00%    | 16,400.00              | 24.96%   | (16,400.00)        | -24.96%   |
| 1991 - 1993                       | 94,318.00               | 0.00                 | 0.00%    | 23,535.00              | 24.95%   | (23,535.00)        | -24.95%   |
| 1992 - 1994                       | 104,975.00              | 0.00                 | 0.00%    | 49,854.00              | 47.49%   | (49,854.00)        | -47.49%   |
| 1993 - 1995                       | 73,582.00               | 0.00                 | 0.00%    | 65,248.00              | 88.67%   | (65,248.00)        | -88.67%   |
| 1994 - 1996                       | 28,297.00               | 0.00                 | 0.00%    | 52,166.00              | 184.35%  | (52,166.00)        | -184.35%  |
| 1995 - 1997                       | 1,524.00                | 0.00                 | 0.00%    | 24,768.00              | 1625.20% | (24,768.00)        | -1625.20% |
| 1996 - 1998                       | 1,835.00                | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%     |
| 1997 - 1999                       | 311.00                  | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%     |
| 1998 - 2000                       | 4,329.00                | 0.00                 | 0.00%    | 178.00                 | 4.11%    | (178.00)           | -4.11%    |
| 1999 - 2001                       | 39,739.24               | -22.66               | -0.06%   | 21,792.77              | 54.84%   | (21,815.43)        | -54.90%   |
| 2000 - 2002                       | 42,337.07               | -22.66               | -0.05%   | 21,792.77              | 51.47%   | (21,815.43)        | -51.53%   |
| 2001 - 2003                       | 442,509.64              | -22.66               | -0.01%   | 133,183.04             | 30.10%   | (133,205.70)       | -30.10%   |
| 2002 - 2004                       | 411,270.64              | 0.00                 | 0.00%    | 113,519.10             | 27.60%   | (113,519.10)       | -27.60%   |
| 2003 - 2005                       | 408,672.81              | 0.00                 | 0.00%    | 174,311.06             | 42.65%   | (174,311.06)       | -42.65%   |
| 2004 - 2006                       | 577,450.01              | 0.00                 | 0.00%    | 123,534.75             | 21.39%   | (123,534.75)       | -21.39%   |
| 2005 - 2007                       | 674,059.26              | 0.00                 | 0.00%    | 143,309.73             | 21.26%   | (143,309.73)       | -21.26%   |

# Rochester Gas & Electric

## Gas Plant

### 378.11 MEAS & REG. STATION EQUIP. - OUTSIDE

Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> | <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> | <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> | <u>%</u> |
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|

#### Three - Year Rolling Bands

|             |              |           |      |            |       |              |        |
|-------------|--------------|-----------|------|------------|-------|--------------|--------|
| 1961 - 2007 | 1,977,451.14 | 32,169.34 | 1.63 | 557,686.60 | 28.20 | (525,517.26) | -26.58 |
|-------------|--------------|-----------|------|------------|-------|--------------|--------|

Trend Analysis (End Year) 2007

\*Based Upon Three - Year Rolling Averages

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 33.0  |
| Average Retirement Age (Yrs)     | 18.4  |
| Years To ASL                     | 14.6  |
| Inflation Factor At 2.75% to ASL | 1.48  |

#### Gross Salvage Linear Trend Analysis

|           |                 |         |
|-----------|-----------------|---------|
| 1988-2007 | 20 - Year Trend | 0.00% * |
| 1993-2007 | 15 - Year Trend | 0.00% * |
| 1998-2007 | 10 - Year Trend | 0.00% * |
| 2003-2007 | 5 - Year Trend  | 0.00%   |

\*Forecasted Gross Salvage Calculates To Less Than 0.00%---Percentage Set To A Floor of 0.00%.

#### Forecasted

|                     |         |
|---------------------|---------|
| Gross Salvage       | 0.00%   |
| ( Five Year Trend ) |         |
| Cost Of Removal     | 41.87%  |
| Net Salvage         | -41.87% |

# Rochester Gas & Electric Gas Plant

## 380.10 SERVICES - STEEL

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1961                   | 231,233.00              | 1,308.00             | 0.57%    | 29,210.00              | 12.63%   | (27,902.00)        | -12.07%  |
| 1962                   | 159,051.00              | 1,903.00             | 1.20%    | 13,737.00              | 8.64%    | (11,834.00)        | -7.44%   |
| 1963                   | 185,457.00              | 564.00               | 0.30%    | 25,272.00              | 13.63%   | (24,708.00)        | -13.32%  |
| 1964                   | 183,390.00              | 1,351.00             | 0.74%    | 0.00                   | 0.00%    | 1,351.00           | 0.74%    |
| 1965                   | 217,531.00              | 1,819.00             | 0.84%    | 0.00                   | 0.00%    | 1,819.00           | 0.84%    |
| 1966                   | 215,514.00              | 515.00               | 0.24%    | 298.00                 | 0.14%    | 217.00             | 0.10%    |
| 1967                   | 173,181.00              | 1,660.00             | 0.96%    | 0.00                   | 0.00%    | 1,660.00           | 0.96%    |
| 1968                   | 384,660.00              | 388.00               | 0.10%    | 104.00                 | 0.03%    | 284.00             | 0.07%    |
| 1969                   | 271,701.00              | 674.00               | 0.25%    | 0.00                   | 0.00%    | 674.00             | 0.25%    |
| 1970                   | 277,289.00              | 1,630.00             | 0.59%    | 0.00                   | 0.00%    | 1,630.00           | 0.59%    |
| 1971                   | 331,380.00              | 10.00                | 0.00%    | 0.00                   | 0.00%    | 10.00              | 0.00%    |
| 1972                   | 208,913.00              | 380.00               | 0.18%    | 0.00                   | 0.00%    | 380.00             | 0.18%    |
| 1973                   | 455,406.00              | 178.00               | 0.04%    | 559.00                 | 0.12%    | (381.00)           | -0.08%   |
| 1974                   | 490,970.00              | 0.00                 | 0.00%    | 69,741.00              | 14.20%   | (69,741.00)        | -14.20%  |
| 1975                   | 392,968.00              | 41.00                | 0.01%    | 139,778.00             | 35.57%   | (139,737.00)       | -35.56%  |
| 1976                   | 431,378.00              | 17.00                | 0.00%    | 70,547.00              | 16.35%   | (70,530.00)        | -16.35%  |
| 1977                   | 400,139.00              | 0.00                 | 0.00%    | 120,997.00             | 30.24%   | (120,997.00)       | -30.24%  |
| 1978                   | 381,302.00              | 0.00                 | 0.00%    | 98,672.00              | 25.88%   | (98,672.00)        | -25.88%  |
| 1979                   | 636,841.00              | 0.00                 | 0.00%    | 223,019.00             | 35.02%   | (223,019.00)       | -35.02%  |
| 1980                   | 513,635.00              | 84.00                | 0.02%    | 118,244.00             | 23.02%   | (118,160.00)       | -23.00%  |
| 1981                   | 385,240.00              | 0.00                 | 0.00%    | 67,359.00              | 17.48%   | (67,359.00)        | -17.48%  |
| 1982                   | 479,681.00              | 0.00                 | 0.00%    | 87,406.00              | 18.22%   | (87,406.00)        | -18.22%  |
| 1983                   | 387,758.00              | 0.00                 | 0.00%    | 73,440.00              | 18.94%   | (73,440.00)        | -18.94%  |
| 1984                   | 682,736.00              | 0.00                 | 0.00%    | 167,419.00             | 24.52%   | (167,419.00)       | -24.52%  |
| 1985                   | 552,937.00              | 0.00                 | 0.00%    | 96,727.00              | 17.49%   | (96,727.00)        | -17.49%  |
| 1986                   | 432,303.00              | 141.00               | 0.03%    | 105,215.00             | 24.34%   | (105,074.00)       | -24.31%  |
| 1987                   | 295,225.00              | 0.00                 | 0.00%    | 220,710.00             | 74.76%   | (220,710.00)       | -74.76%  |
| 1988                   | 977,895.00              | 0.00                 | 0.00%    | 256,495.00             | 26.23%   | (256,495.00)       | -26.23%  |

# Rochester Gas & Electric Gas Plant

## 380.10 SERVICES - STEEL

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1989                   | 688,602.00              | 0.00                 | 0.00%    | 86,489.00              | 12.56%   | (86,489.00)        | -12.56%  |
| 1990                   | 1,111,996.00            | 4,382.00             | 0.39%    | 144,760.00             | 13.02%   | (140,378.00)       | -12.62%  |
| 1991                   | 791,259.00              | 0.00                 | 0.00%    | 259,444.00             | 32.79%   | (259,444.00)       | -32.79%  |
| 1992                   | 670,617.00              | 0.00                 | 0.00%    | 140,155.00             | 20.90%   | (140,155.00)       | -20.90%  |
| 1993                   | 596,916.00              | 376,490.00           | 63.07%   | 137,063.00             | 22.96%   | 239,427.00         | 40.11%   |
| 1994                   | 895,375.00              | 0.00                 | 0.00%    | 156,182.00             | 17.44%   | (156,182.00)       | -17.44%  |
| 1995                   | 417,323.00              | 0.00                 | 0.00%    | 82,994.00              | 19.89%   | (82,994.00)        | -19.89%  |
| 1996                   | 1,986,574.00            | 0.00                 | 0.00%    | 125,182.00             | 6.30%    | (125,182.00)       | -6.30%   |
| 1997                   | 813,907.00              | 0.00                 | 0.00%    | 84,586.00              | 10.39%   | (84,586.00)        | -10.39%  |
| 1998                   | 1,669,193.00            | 0.00                 | 0.00%    | 163,476.00             | 9.79%    | (163,476.00)       | -9.79%   |
| 1999                   | 1,551,716.00            | 0.00                 | 0.00%    | 177,957.00             | 11.47%   | (177,957.00)       | -11.47%  |
| 2000                   | 997,090.00              | 0.00                 | 0.00%    | 157,780.00             | 15.82%   | (157,780.00)       | -15.82%  |
| 2001                   | 1,503,230.71            | 0.00                 | 0.00%    | 997,397.29             | 66.35%   | (997,397.29)       | -66.35%  |
| 2002                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003                   | 600,918.94              | 0.00                 | 0.00%    | 349,604.69             | 58.18%   | (349,604.69)       | -58.18%  |
| 2004                   | 1,136,917.62            | 0.00                 | 0.00%    | 82,188.10              | 7.23%    | (82,188.10)        | -7.23%   |
| 2005                   | 119,026.13              | 0.00                 | 0.00%    | 103,568.63             | 87.01%   | (103,568.63)       | -87.01%  |
| 2006                   | 627,670.10              | 0.00                 | 0.00%    | 103,568.63             | 16.50%   | (103,568.63)       | -16.50%  |
| 2007                   | 911,926.44              | 0.00                 | 0.00%    | 606,637.06             | 66.52%   | (606,637.06)       | -66.52%  |

**Rochester Gas & Electric  
Gas Plant**

**380.10 SERVICES - STEEL**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 1961 - 1963                       | 575,741.00              | 3,775.00             | 0.66%    | 68,219.00              | 11.85%   | (64,444.00)        | -11.19%  |
| 1962 - 1964                       | 527,898.00              | 3,818.00             | 0.72%    | 39,009.00              | 7.39%    | (35,191.00)        | -6.67%   |
| 1963 - 1965                       | 586,378.00              | 3,734.00             | 0.64%    | 25,272.00              | 4.31%    | (21,538.00)        | -3.67%   |
| 1964 - 1966                       | 616,435.00              | 3,685.00             | 0.60%    | 298.00                 | 0.05%    | 3,387.00           | 0.55%    |
| 1965 - 1967                       | 606,226.00              | 3,994.00             | 0.66%    | 298.00                 | 0.05%    | 3,696.00           | 0.61%    |
| 1966 - 1968                       | 773,355.00              | 2,563.00             | 0.33%    | 402.00                 | 0.05%    | 2,161.00           | 0.28%    |
| 1967 - 1969                       | 829,542.00              | 2,722.00             | 0.33%    | 104.00                 | 0.01%    | 2,618.00           | 0.32%    |
| 1968 - 1970                       | 933,650.00              | 2,692.00             | 0.29%    | 104.00                 | 0.01%    | 2,588.00           | 0.28%    |
| 1969 - 1971                       | 880,370.00              | 2,314.00             | 0.26%    | 0.00                   | 0.00%    | 2,314.00           | 0.26%    |
| 1970 - 1972                       | 817,582.00              | 2,020.00             | 0.25%    | 0.00                   | 0.00%    | 2,020.00           | 0.25%    |
| 1971 - 1973                       | 995,699.00              | 568.00               | 0.06%    | 559.00                 | 0.06%    | 9.00               | 0.00%    |
| 1972 - 1974                       | 1,155,289.00            | 558.00               | 0.05%    | 70,300.00              | 6.09%    | (69,742.00)        | -6.04%   |
| 1973 - 1975                       | 1,339,344.00            | 219.00               | 0.02%    | 210,078.00             | 15.69%   | (209,859.00)       | -15.67%  |
| 1974 - 1976                       | 1,315,316.00            | 58.00                | 0.00%    | 280,066.00             | 21.29%   | (280,008.00)       | -21.29%  |
| 1975 - 1977                       | 1,224,485.00            | 58.00                | 0.00%    | 331,322.00             | 27.06%   | (331,264.00)       | -27.05%  |
| 1976 - 1978                       | 1,212,819.00            | 17.00                | 0.00%    | 290,216.00             | 23.93%   | (290,199.00)       | -23.93%  |
| 1977 - 1979                       | 1,418,282.00            | 0.00                 | 0.00%    | 442,688.00             | 31.21%   | (442,688.00)       | -31.21%  |
| 1978 - 1980                       | 1,531,778.00            | 84.00                | 0.01%    | 439,935.00             | 28.72%   | (439,851.00)       | -28.72%  |
| 1979 - 1981                       | 1,535,716.00            | 84.00                | 0.01%    | 408,622.00             | 26.61%   | (408,538.00)       | -26.60%  |
| 1980 - 1982                       | 1,378,556.00            | 84.00                | 0.01%    | 273,009.00             | 19.80%   | (272,925.00)       | -19.80%  |
| 1981 - 1983                       | 1,252,679.00            | 0.00                 | 0.00%    | 228,205.00             | 18.22%   | (228,205.00)       | -18.22%  |
| 1982 - 1984                       | 1,550,175.00            | 0.00                 | 0.00%    | 328,265.00             | 21.18%   | (328,265.00)       | -21.18%  |
| 1983 - 1985                       | 1,623,431.00            | 0.00                 | 0.00%    | 337,586.00             | 20.79%   | (337,586.00)       | -20.79%  |
| 1984 - 1986                       | 1,667,976.00            | 141.00               | 0.01%    | 369,361.00             | 22.14%   | (369,220.00)       | -22.14%  |
| 1985 - 1987                       | 1,280,465.00            | 141.00               | 0.01%    | 422,652.00             | 33.01%   | (422,511.00)       | -33.00%  |
| 1986 - 1988                       | 1,705,423.00            | 141.00               | 0.01%    | 582,420.00             | 34.15%   | (582,279.00)       | -34.14%  |
| 1987 - 1989                       | 1,961,722.00            | 0.00                 | 0.00%    | 563,694.00             | 28.73%   | (563,694.00)       | -28.73%  |
| 1988 - 1990                       | 2,778,493.00            | 4,382.00             | 0.16%    | 487,744.00             | 17.55%   | (483,362.00)       | -17.40%  |

# ***Rochester Gas & Electric***

## ***Gas Plant***

### ***380.10 SERVICES - STEEL***

***Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007***

| <u>Year</u>                       | <u>Original Cost Of Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   |                                     | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                                     |                      |          |                        |          |                    |          |
| 1989 - 1991                       | 2,591,857.00                        | 4,382.00             | 0.17%    | 490,693.00             | 18.93%   | (486,311.00)       | -18.76%  |
| 1990 - 1992                       | 2,573,872.00                        | 4,382.00             | 0.17%    | 544,359.00             | 21.15%   | (539,977.00)       | -20.98%  |
| 1991 - 1993                       | 2,058,792.00                        | 376,490.00           | 18.29%   | 536,662.00             | 26.07%   | (160,172.00)       | -7.78%   |
| 1992 - 1994                       | 2,162,908.00                        | 376,490.00           | 17.41%   | 433,400.00             | 20.04%   | (56,910.00)        | -2.63%   |
| 1993 - 1995                       | 1,909,614.00                        | 376,490.00           | 19.72%   | 376,239.00             | 19.70%   | 251.00             | 0.01%    |
| 1994 - 1996                       | 3,299,272.00                        | 0.00                 | 0.00%    | 364,358.00             | 11.04%   | (364,358.00)       | -11.04%  |
| 1995 - 1997                       | 3,217,804.00                        | 0.00                 | 0.00%    | 292,762.00             | 9.10%    | (292,762.00)       | -9.10%   |
| 1996 - 1998                       | 4,469,674.00                        | 0.00                 | 0.00%    | 373,244.00             | 8.35%    | (373,244.00)       | -8.35%   |
| 1997 - 1999                       | 4,034,816.00                        | 0.00                 | 0.00%    | 426,019.00             | 10.56%   | (426,019.00)       | -10.56%  |
| 1998 - 2000                       | 4,217,999.00                        | 0.00                 | 0.00%    | 499,213.00             | 11.84%   | (499,213.00)       | -11.84%  |
| 1999 - 2001                       | 4,052,036.71                        | 0.00                 | 0.00%    | 1,333,134.29           | 32.90%   | (1,333,134.29)     | -32.90%  |
| 2000 - 2002                       | 2,500,320.71                        | 0.00                 | 0.00%    | 1,155,177.29           | 46.20%   | (1,155,177.29)     | -46.20%  |
| 2001 - 2003                       | 2,104,149.65                        | 0.00                 | 0.00%    | 1,347,001.98           | 64.02%   | (1,347,001.98)     | -64.02%  |
| 2002 - 2004                       | 1,737,836.56                        | 0.00                 | 0.00%    | 431,792.79             | 24.85%   | (431,792.79)       | -24.85%  |
| 2003 - 2005                       | 1,856,862.69                        | 0.00                 | 0.00%    | 535,361.42             | 28.83%   | (535,361.42)       | -28.83%  |
| 2004 - 2006                       | 1,883,613.85                        | 0.00                 | 0.00%    | 289,325.36             | 15.36%   | (289,325.36)       | -15.36%  |
| 2005 - 2007                       | 1,658,622.67                        | 0.00                 | 0.00%    | 813,774.32             | 49.06%   | (813,774.32)       | -49.06%  |

# Rochester Gas & Electric

## Gas Plant

380.10 SERVICES - STEEL

Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> | <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> | <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> | <u>%</u> |
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|

### Three - Year Rolling Bands

|             |               |            |      |              |       |                |        |
|-------------|---------------|------------|------|--------------|-------|----------------|--------|
| 1961 - 2007 | 27,825,971.94 | 393,535.00 | 1.41 | 5,943,981.40 | 21.36 | (5,550,446.40) | -19.95 |
|-------------|---------------|------------|------|--------------|-------|----------------|--------|

Trend Analysis (End Year) 2007

\*Based Upon Three - Year Rolling Averages

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 50.0  |
| Average Retirement Age (Yrs)     | 35.1  |
| Years To ASL                     | 14.9  |
| Inflation Factor At 2.75% to ASL | 1.50  |

| <u>Gross Salvage</u><br><u>Linear Trend Analysis</u> |                 |         |
|------------------------------------------------------|-----------------|---------|
| 1988-2007                                            | 20 - Year Trend | 0.00% * |
| 1993-2007                                            | 15 - Year Trend | 0.00% * |
| 1998-2007                                            | 10 - Year Trend | 0.00%   |
| 2003-2007                                            | 5 - Year Trend  | 0.00%   |

\*Forecasted Gross Salvage Calculates To Less Than 0.00%---Percentage Set To A Floor of 0.00%.

### Forecasted

|                     |         |
|---------------------|---------|
| Gross Salvage       | 0.00%   |
| ( Five Year Trend ) |         |
| Cost Of Removal     | 32.04%  |
| Net Salvage         | -32.04% |

**Rochester Gas & Electric  
Gas Plant**

**380.20 SERVICES - PLASTIC**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 2003 - 2007**

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 2003                   | 206,989.26              | 0.00                 | 0.00%    | 13,287.74              | 6.42%    | (13,287.74)        | -6.42%   |
| 2004                   | 534,040.23              | 0.00                 | 0.00%    | 238,283.53             | 44.62%   | (238,283.53)       | -44.62%  |
| 2005                   | 127,036.06              | 0.00                 | 0.00%    | 231,853.63             | 182.51%  | (231,853.63)       | -182.51% |
| 2006                   | 106,975.87              | 0.00                 | 0.00%    | 231,853.63             | 216.73%  | (231,853.63)       | -216.73% |
| 2007                   | 345,895.37              | 35,837.91            | 10.36%   | 49,800.71              | 14.40%   | (13,962.80)        | -4.04%   |

**Rochester Gas & Electric**  
**Gas Plant**  
**380.20 SERVICES - PLASTIC**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 2003 - 2007**

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> | <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> | <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> | <u>%</u> |
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|

**Three - Year Rolling Bands**

|             |              |           |       |            |        |              |         |
|-------------|--------------|-----------|-------|------------|--------|--------------|---------|
| 2003 - 2005 | 868,065.55   | 0.00      | 0.00% | 483,424.90 | 55.69% | (483,424.90) | -55.69% |
| 2004 - 2006 | 768,052.16   | 0.00      | 0.00% | 701,990.79 | 91.40% | (701,990.79) | -91.40% |
| 2005 - 2007 | 579,907.30   | 35,837.91 | 6.18% | 513,507.97 | 88.55% | (477,670.06) | -82.37% |
| 2003 - 2007 | 1,320,936.79 | 35,837.91 | 2.71  | 765,079.24 | 57.92  | (729,241.33) | -55.21  |

**Trend Analysis (End Year) 2007**

**\*Based Upon Three - Year Rolling Averages**

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 44.0  |
| Average Retirement Age (Yrs)     | 13.1  |
| Years To ASL                     | 30.9  |
| Inflation Factor At 2.75% to ASL | 2.31  |

| <u>Gross Salvage</u><br><u>Linear Trend Analysis</u> |                 |       |
|------------------------------------------------------|-----------------|-------|
| 1988-2007                                            | 20 - Year Trend | 2.06% |
| 1993-2007                                            | 15 - Year Trend | 2.06% |
| 1998-2007                                            | 10 - Year Trend | 2.06% |
| 2003-2007                                            | 5 - Year Trend  | 2.06% |

**Forecasted**

|                        |          |
|------------------------|----------|
| <b>Gross Salvage</b>   | 2.06%    |
| ( Five Year Trend )    |          |
| <b>Cost Of Removal</b> | 133.83%  |
| <b>Net Salvage</b>     | -131.77% |

**Rochester Gas & Electric  
Gas Plant**

**381.00 METERS**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1961                   | 99,538.00               | 2,195.00             | 2.21%    | 655.00                 | 0.66%    | 1,540.00           | 1.55%    |
| 1962                   | 63,684.00               | 727.00               | 1.14%    | 0.00                   | 0.00%    | 727.00             | 1.14%    |
| 1963                   | 43,816.00               | 182.00               | 0.42%    | 0.00                   | 0.00%    | 182.00             | 0.42%    |
| 1964                   | 26,495.00               | 1,237.00             | 4.67%    | 0.00                   | 0.00%    | 1,237.00           | 4.67%    |
| 1965                   | 89,750.00               | 2,022.00             | 2.25%    | 0.00                   | 0.00%    | 2,022.00           | 2.25%    |
| 1966                   | 250,191.00              | 5,360.00             | 2.14%    | 0.00                   | 0.00%    | 5,360.00           | 2.14%    |
| 1967                   | 355,068.00              | 8,386.00             | 2.36%    | 0.00                   | 0.00%    | 8,386.00           | 2.36%    |
| 1968                   | 161,537.00              | 6,722.00             | 4.16%    | 0.00                   | 0.00%    | 6,722.00           | 4.16%    |
| 1969                   | 163,030.00              | 12,252.00            | 7.52%    | 0.00                   | 0.00%    | 12,252.00          | 7.52%    |
| 1970                   | 115,841.00              | 2,477.00             | 2.14%    | 0.00                   | 0.00%    | 2,477.00           | 2.14%    |
| 1971                   | 73,312.00               | 10,091.00            | 13.76%   | 0.00                   | 0.00%    | 10,091.00          | 13.76%   |
| 1972                   | 7,276.00                | 900.00               | 12.37%   | 0.00                   | 0.00%    | 900.00             | 12.37%   |
| 1973                   | 629.00                  | 0.00                 | 0.00%    | 125.00                 | 19.87%   | (125.00)           | -19.87%  |
| 1974                   | 3,170.00                | 0.00                 | 0.00%    | 3,441.00               | 108.55%  | (3,441.00)         | -108.55% |
| 1975                   | 321.00                  | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1976                   | 58.00                   | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1977                   | 24.00                   | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1978                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1979                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1980                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1981                   | 105,977.00              | 0.00                 | 0.00%    | 97.00                  | 0.09%    | (97.00)            | -0.09%   |
| 1982                   | 6,430.00                | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1983                   | 5,022.00                | 2,798.00             | 55.71%   | 7.00                   | 0.14%    | 2,791.00           | 55.58%   |
| 1984                   | 15,262.00               | 722.00               | 4.73%    | 0.00                   | 0.00%    | 722.00             | 4.73%    |
| 1985                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1986                   | 224,744.00              | 6,310.00             | 2.81%    | 232.00                 | 0.10%    | 6,078.00           | 2.70%    |
| 1987                   | 399,289.00              | 4,517.00             | 1.13%    | 0.00                   | 0.00%    | 4,517.00           | 1.13%    |
| 1988                   | 127,749.00              | 2,628.00             | 2.06%    | 0.00                   | 0.00%    | 2,628.00           | 2.06%    |

**Rochester Gas & Electric  
Gas Plant**

**381.00 METERS**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1989                   | 16,609.00               | 7,830.00             | 47.14%   | 413.00                 | 2.49%    | 7,417.00           | 44.66%   |
| 1990                   | 168,537.00              | 14,240.00            | 8.45%    | 518.00                 | 0.31%    | 13,722.00          | 8.14%    |
| 1991                   | 784,102.00              | 11,532.00            | 1.47%    | 0.00                   | 0.00%    | 11,532.00          | 1.47%    |
| 1992                   | 323,587.00              | 15,814.00            | 4.89%    | 0.00                   | 0.00%    | 15,814.00          | 4.89%    |
| 1993                   | 223,429.00              | 9,751.00             | 4.36%    | 0.00                   | 0.00%    | 9,751.00           | 4.36%    |
| 1994                   | 218,970.00              | 4,011.00             | 1.83%    | 10.00                  | 0.00%    | 4,001.00           | 1.83%    |
| 1995                   | 200,655.00              | 14,825.00            | 7.39%    | 0.00                   | 0.00%    | 14,825.00          | 7.39%    |
| 1996                   | 319,903.00              | 13,392.00            | 4.19%    | 0.00                   | 0.00%    | 13,392.00          | 4.19%    |
| 1997                   | 408,428.00              | 16,130.00            | 3.95%    | 0.00                   | 0.00%    | 16,130.00          | 3.95%    |
| 1998                   | 258,000.00              | 26,659.00            | 10.33%   | 0.00                   | 0.00%    | 26,659.00          | 10.33%   |
| 1999                   | 663,937.00              | 131,558.00           | 19.81%   | 0.00                   | 0.00%    | 131,558.00         | 19.81%   |
| 2000                   | 470,967.00              | 107,714.00           | 22.87%   | 125,700.00             | 26.69%   | (17,986.00)        | -3.82%   |
| 2001                   | 587,280.61              | 127,506.36           | 21.71%   | 209,786.52             | 35.72%   | (82,280.16)        | -14.01%  |
| 2002                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003                   | 1,072,068.93            | 0.00                 | 0.00%    | 466,907.50             | 43.55%   | (466,907.50)       | -43.55%  |
| 2004                   | 2,360,733.26            | 0.00                 | 0.00%    | (30,690.82)            | -1.30%   | 30,690.82          | 1.30%    |
| 2005                   | 1,077,519.46            | 0.00                 | 0.00%    | 6,730.57               | 0.62%    | (6,730.57)         | -0.62%   |
| 2006                   | 19,221.59               | 0.00                 | 0.00%    | 6,730.57               | 35.02%   | (6,730.57)         | -35.02%  |
| 2007                   | 242,109.23              | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

***Rochester Gas & Electric***  
***Gas Plant***  
***381.00 METERS***  
***Forecasted Future Net Salvage***  
***Based Upon Experienced Net Salvage 1961 - 2007***

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 1961 - 1963                       | 207,038.00              | 3,104.00             | 1.50%    | 655.00                 | 0.32%    | 2,449.00           | 1.18%    |
| 1962 - 1964                       | 133,995.00              | 2,146.00             | 1.60%    | 0.00                   | 0.00%    | 2,146.00           | 1.60%    |
| 1963 - 1965                       | 160,061.00              | 3,441.00             | 2.15%    | 0.00                   | 0.00%    | 3,441.00           | 2.15%    |
| 1964 - 1966                       | 366,436.00              | 8,619.00             | 2.35%    | 0.00                   | 0.00%    | 8,619.00           | 2.35%    |
| 1965 - 1967                       | 695,009.00              | 15,768.00            | 2.27%    | 0.00                   | 0.00%    | 15,768.00          | 2.27%    |
| 1966 - 1968                       | 766,796.00              | 20,468.00            | 2.67%    | 0.00                   | 0.00%    | 20,468.00          | 2.67%    |
| 1967 - 1969                       | 679,635.00              | 27,360.00            | 4.03%    | 0.00                   | 0.00%    | 27,360.00          | 4.03%    |
| 1968 - 1970                       | 440,408.00              | 21,451.00            | 4.87%    | 0.00                   | 0.00%    | 21,451.00          | 4.87%    |
| 1969 - 1971                       | 352,183.00              | 24,820.00            | 7.05%    | 0.00                   | 0.00%    | 24,820.00          | 7.05%    |
| 1970 - 1972                       | 196,429.00              | 13,468.00            | 6.86%    | 0.00                   | 0.00%    | 13,468.00          | 6.86%    |
| 1971 - 1973                       | 81,217.00               | 10,991.00            | 13.53%   | 125.00                 | 0.15%    | 10,866.00          | 13.38%   |
| 1972 - 1974                       | 11,075.00               | 900.00               | 8.13%    | 3,566.00               | 32.20%   | (2,666.00)         | -24.07%  |
| 1973 - 1975                       | 4,120.00                | 0.00                 | 0.00%    | 3,566.00               | 86.55%   | (3,566.00)         | -86.55%  |
| 1974 - 1976                       | 3,549.00                | 0.00                 | 0.00%    | 3,441.00               | 96.96%   | (3,441.00)         | -96.96%  |
| 1975 - 1977                       | 403.00                  | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1976 - 1978                       | 82.00                   | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1977 - 1979                       | 24.00                   | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1978 - 1980                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1979 - 1981                       | 105,977.00              | 0.00                 | 0.00%    | 97.00                  | 0.09%    | (97.00)            | -0.09%   |
| 1980 - 1982                       | 112,407.00              | 0.00                 | 0.00%    | 97.00                  | 0.09%    | (97.00)            | -0.09%   |
| 1981 - 1983                       | 117,429.00              | 2,798.00             | 2.38%    | 104.00                 | 0.09%    | 2,694.00           | 2.29%    |
| 1982 - 1984                       | 26,714.00               | 3,520.00             | 13.18%   | 7.00                   | 0.03%    | 3,513.00           | 13.15%   |
| 1983 - 1985                       | 20,284.00               | 3,520.00             | 17.35%   | 7.00                   | 0.03%    | 3,513.00           | 17.32%   |
| 1984 - 1986                       | 240,006.00              | 7,032.00             | 2.93%    | 232.00                 | 0.10%    | 6,800.00           | 2.83%    |
| 1985 - 1987                       | 624,033.00              | 10,827.00            | 1.74%    | 232.00                 | 0.04%    | 10,595.00          | 1.70%    |
| 1986 - 1988                       | 751,782.00              | 13,455.00            | 1.79%    | 232.00                 | 0.03%    | 13,223.00          | 1.76%    |
| 1987 - 1989                       | 543,647.00              | 14,975.00            | 2.75%    | 413.00                 | 0.08%    | 14,562.00          | 2.68%    |
| 1988 - 1990                       | 312,895.00              | 24,698.00            | 7.89%    | 931.00                 | 0.30%    | 23,767.00          | 7.60%    |

# ***Rochester Gas & Electric***

## ***Gas Plant***

***381.00 METERS***

***Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1961 - 2007***

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 1989 - 1991                       | 969,248.00              | 33,602.00            | 3.47%    | 931.00                 | 0.10%    | 32,671.00          | 3.37%    |
| 1990 - 1992                       | 1,276,226.00            | 41,586.00            | 3.26%    | 518.00                 | 0.04%    | 41,068.00          | 3.22%    |
| 1991 - 1993                       | 1,331,118.00            | 37,097.00            | 2.79%    | 0.00                   | 0.00%    | 37,097.00          | 2.79%    |
| 1992 - 1994                       | 765,986.00              | 29,576.00            | 3.86%    | 10.00                  | 0.00%    | 29,566.00          | 3.86%    |
| 1993 - 1995                       | 643,054.00              | 28,587.00            | 4.45%    | 10.00                  | 0.00%    | 28,577.00          | 4.44%    |
| 1994 - 1996                       | 739,528.00              | 32,228.00            | 4.36%    | 10.00                  | 0.00%    | 32,218.00          | 4.36%    |
| 1995 - 1997                       | 928,986.00              | 44,347.00            | 4.77%    | 0.00                   | 0.00%    | 44,347.00          | 4.77%    |
| 1996 - 1998                       | 986,331.00              | 56,181.00            | 5.70%    | 0.00                   | 0.00%    | 56,181.00          | 5.70%    |
| 1997 - 1999                       | 1,330,365.00            | 174,347.00           | 13.11%   | 0.00                   | 0.00%    | 174,347.00         | 13.11%   |
| 1998 - 2000                       | 1,392,904.00            | 265,931.00           | 19.09%   | 125,700.00             | 9.02%    | 140,231.00         | 10.07%   |
| 1999 - 2001                       | 1,722,184.61            | 366,778.36           | 21.30%   | 335,486.52             | 19.48%   | 31,291.84          | 1.82%    |
| 2000 - 2002                       | 1,058,247.61            | 235,220.36           | 22.23%   | 335,486.52             | 31.70%   | (100,266.16)       | -9.47%   |
| 2001 - 2003                       | 1,659,349.54            | 127,506.36           | 7.68%    | 676,694.02             | 40.78%   | (549,187.66)       | -33.10%  |
| 2002 - 2004                       | 3,432,802.19            | 0.00                 | 0.00%    | 436,216.68             | 12.71%   | (436,216.68)       | -12.71%  |
| 2003 - 2005                       | 4,510,321.65            | 0.00                 | 0.00%    | 442,947.25             | 9.82%    | (442,947.25)       | -9.82%   |
| 2004 - 2006                       | 3,457,474.31            | 0.00                 | 0.00%    | (17,229.68)            | -0.50%   | 17,229.68          | 0.50%    |
| 2005 - 2007                       | 1,338,850.28            | 0.00                 | 0.00%    | 13,461.14              | 1.01%    | (13,461.14)        | -1.01%   |

**Rochester Gas & Electric**  
**Gas Plant**  
**381.00 METERS**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> | <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> | <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> | <u>%</u> |
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|

**Three - Year Rolling Bands**

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|             |               |            |      |            |      |              |       |
|-------------|---------------|------------|------|------------|------|--------------|-------|
| 1961 - 2007 | 11,754,270.08 | 570,488.36 | 4.85 | 790,662.34 | 6.73 | (220,173.98) | -1.87 |
|-------------|---------------|------------|------|------------|------|--------------|-------|

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Trend Analysis (End Year) 2007

\*Based Upon Three - Year Rolling Averages

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 27.0  |
| Average Retirement Age (Yrs)     | 17.9  |
| Years To ASL                     | 9.1   |
| Inflation Factor At 2.75% to ASL | 1.28  |

**Gross Salvage**  
**Linear Trend Analysis**

|           |                 |         |
|-----------|-----------------|---------|
| 1988-2007 | 20 - Year Trend | 8.02%   |
| 1993-2007 | 15 - Year Trend | 6.36%   |
| 1998-2007 | 10 - Year Trend | 0.00% * |
| 2003-2007 | 5 - Year Trend  | 0.00% * |

\*Forecasted Gross Salvage Calculates To Less Than 0.00%---Percentage Set To A Floor of 0.00%.

**Forecasted**

|                     |         |
|---------------------|---------|
| Gross Salvage       | 0.00% * |
| ( Five Year Trend ) |         |
| Cost Of Removal     | 8.61%   |
| Net Salvage         | -8.61%  |

***Rochester Gas & Electric  
Gas Plant  
382.00 METER INSTALLATION  
Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1999 - 2007***

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1999                   | 1,193,612.00            | 0.00                 | 0.00%    | 17,725.00              | 1.48%    | (17,725.00)        | -1.48%   |
| 2000                   | 927,562.00              | 0.00                 | 0.00%    | 26,838.00              | 2.89%    | (26,838.00)        | -2.89%   |
| 2001                   | 181,084.16              | 0.00                 | 0.00%    | 21,339.12              | 11.78%   | (21,339.12)        | -11.78%  |
| 2002                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2004                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2005                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2006                   | 33,539.60               | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2007                   | 321,486.99              | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

**Rochester Gas & Electric**  
**Gas Plant**  
**382.00 METER INSTALLATION**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1999 - 2007**

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> | <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> | <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> | <u>%</u> |
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|
|-------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|

**Three - Year Rolling Bands**

|             |              |      |       |           |        |             |         |
|-------------|--------------|------|-------|-----------|--------|-------------|---------|
| 1999 - 2001 | 2,302,258.16 | 0.00 | 0.00% | 65,902.12 | 2.86%  | (65,902.12) | -2.86%  |
| 2000 - 2002 | 1,108,646.16 | 0.00 | 0.00% | 48,177.12 | 4.35%  | (48,177.12) | -4.35%  |
| 2001 - 2003 | 181,084.16   | 0.00 | 0.00% | 21,339.12 | 11.78% | (21,339.12) | -11.78% |
| 2002 - 2004 | 0.00         | 0.00 | 0.00% | 0.00      | 0.00%  | 0.00        | 0.00%   |
| 2003 - 2005 | 0.00         | 0.00 | 0.00% | 0.00      | 0.00%  | 0.00        | 0.00%   |
| 2004 - 2006 | 33,539.60    | 0.00 | 0.00% | 0.00      | 0.00%  | 0.00        | 0.00%   |
| 2005 - 2007 | 355,026.59   | 0.00 | 0.00% | 0.00      | 0.00%  | 0.00        | 0.00%   |
| <hr/>       |              |      |       |           |        |             |         |
| 1999 - 2007 | 2,657,284.75 | 0.00 | 0.00  | 65,902.12 | 2.48   | (65,902.12) | -2.48   |

**Trend Analysis (End Year)                      2007**

**\*Based Upon Three - Year Rolling Averages**

|                                  |       |                                                      |                 |       |
|----------------------------------|-------|------------------------------------------------------|-----------------|-------|
|                                  |       | <u>Gross Salvage</u><br><u>Linear Trend Analysis</u> |                 |       |
| Annual Inflation Rate            | 2.75% | 1988-2007                                            | 20 - Year Trend | 0.00% |
| Average Service Life (ASL)       | 35.0  | 1993-2007                                            | 15 - Year Trend | 0.00% |
| Average Retirement Age (Yrs)     | 14.9  | 1998-2007                                            | 10 - Year Trend | 0.00% |
| Years To ASL                     | 20.1  | 2003-2007                                            | 5 - Year Trend  | 0.00% |
| Inflation Factor At 2.75% to ASL | 1.73  |                                                      |                 |       |

**Forecasted**

**Gross Salvage                      0.00%**  
**( Five Year Trend )**

**Cost Of Removal                4.28%**

**Net Salvage                      -4.28%**

**Rochester Gas & Electric  
Gas Plant**

**383.10 HOUSE REGULATORS**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1999 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1999                   | 29,120.00               | 0.00                 | 0.00%    | 24,304.00              | 83.46%   | (24,304.00)        | -83.46%  |
| 2000                   | 18,148.00               | 267.00               | 1.47%    | 17,884.00              | 98.55%   | (17,617.00)        | -97.07%  |
| 2001                   | 181,644.40              | -25.01               | -0.01%   | 630,669.89             | 347.20%  | (630,694.90)       | -347.21% |
| 2002                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003                   | 93,615.48               | 0.00                 | 0.00%    | 115,679.45             | 123.57%  | (115,679.45)       | -123.57% |
| 2004                   | 0.00                    | 0.00                 | 0.00%    | 11,433.02              | 0.00%    | (11,433.02)        | 0.00%    |
| 2005                   | 0.00                    | 0.00                 | 0.00%    | 1,603.27               | 0.00%    | (1,603.27)         | 0.00%    |
| 2006                   | 906.14                  | 0.00                 | 0.00%    | 1,603.27               | 176.93%  | (1,603.27)         | -176.93% |
| 2007                   | 834.34                  | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

**Rochester Gas & Electric**  
**Gas Plant**  
**383.10 HOUSE REGULATORS**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1999 - 2007**

| <u>Year</u>                       | <u>Original Cost Of<br/>Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |           |
|-----------------------------------|-----------------------------------------|----------------------|----------|------------------------|----------|--------------------|-----------|
|                                   |                                         | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u>  |
| <u>Three - Year Rolling Bands</u> |                                         |                      |          |                        |          |                    |           |
| 1999 - 2001                       | 228,912.40                              | 241.99               | 0.11%    | 672,857.89             | 293.94%  | (672,615.90)       | -293.83%  |
| 2000 - 2002                       | 199,792.40                              | 241.99               | 0.12%    | 648,553.89             | 324.61%  | (648,311.90)       | -324.49%  |
| 2001 - 2003                       | 275,259.88                              | -25.01               | -0.01%   | 746,349.34             | 271.14%  | (746,374.35)       | -271.15%  |
| 2002 - 2004                       | 93,615.48                               | 0.00                 | 0.00%    | 127,112.47             | 135.78%  | (127,112.47)       | -135.78%  |
| 2003 - 2005                       | 93,615.48                               | 0.00                 | 0.00%    | 128,715.74             | 137.49%  | (128,715.74)       | -137.49%  |
| 2004 - 2006                       | 906.14                                  | 0.00                 | 0.00%    | 14,639.56              | 1615.60% | (14,639.56)        | -1615.60% |
| 2005 - 2007                       | 1,740.48                                | 0.00                 | 0.00%    | 3,206.54               | 184.23%  | (3,206.54)         | -184.23%  |
| 1999 - 2007                       | 324,268.36                              | 241.99               | 0.07     | 803,176.90             | 247.69   | (802,934.91)       | -247.61   |

**Trend Analysis (End Year) 2007**

\*Based Upon Three - Year Rolling Averages

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 40.0  |
| Average Retirement Age (Yrs)     | 15.7  |
| Years To ASL                     | 24.3  |
| Inflation Factor At 2.75% to ASL | 1.93  |

**Gross Salvage**  
**Linear Trend Analysis**

|           |                 |       |
|-----------|-----------------|-------|
| 1988-2007 | 20 - Year Trend | 0.03% |
| 1993-2007 | 15 - Year Trend | 0.03% |
| 1998-2007 | 10 - Year Trend | 0.03% |
| 2003-2007 | 5 - Year Trend  | 0.00% |

**Forecasted**

|                     |          |
|---------------------|----------|
| Gross Salvage       | 0.00%    |
| ( Five Year Trend ) |          |
| Cost Of Removal     | 478.23%  |
| Net Salvage         | -478.22% |

**Rochester Gas & Electric**  
**Gas Plant**

**383.20 SPECIAL REGULATORS ON CUST. PREMISES**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1970                   | 129.00                  | 0.00                 | 0.00%    | 3.00                   | 2.33%    | (3.00)             | -2.33%   |
| 1971                   | 397.00                  | 0.00                 | 0.00%    | 83.00                  | 20.91%   | (83.00)            | -20.91%  |
| 1972                   | 17.00                   | 0.00                 | 0.00%    | 5.00                   | 29.41%   | (5.00)             | -29.41%  |
| 1973                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1974                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1975                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1976                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1977                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1978                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1979                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1980                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1981                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1982                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1983                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1984                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1985                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1986                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1987                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1988                   | 44.00                   | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1989                   | 131.00                  | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1990                   | 37.00                   | 0.00                 | 0.00%    | 60.00                  | 162.16%  | (60.00)            | -162.16% |
| 1991                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1992                   | 273.00                  | 0.00                 | 0.00%    | 224.00                 | 82.05%   | (224.00)           | -82.05%  |
| 1993                   | 1,014.00                | 0.00                 | 0.00%    | 143.00                 | 14.10%   | (143.00)           | -14.10%  |
| 1994                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1995                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1996                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1997                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

**Rochester Gas & Electric  
Gas Plant**

**383.20 SPECIAL REGULATORS ON CUST. PREMISES**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1998                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1999                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2000                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2001                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2002                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2004                   | 0.00                    | 0.00                 | 0.00%    | 6,009.82               | 0.00%    | (6,009.82)         | 0.00%    |
| 2005                   | 0.00                    | 0.00                 | 0.00%    | 1,603.27               | 0.00%    | (1,603.27)         | 0.00%    |
| 2006                   | 0.00                    | 0.00                 | 0.00%    | 1,603.27               | 0.00%    | (1,603.27)         | 0.00%    |
| 2007                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

**Rochester Gas & Electric  
Gas Plant**

**383.20 SPECIAL REGULATORS ON CUST. PREMISES**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007*

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 1970 - 1972                       | 543.00                  | 0.00                 | 0.00%    | 91.00                  | 16.76%   | (91.00)            | -16.76%  |
| 1971 - 1973                       | 414.00                  | 0.00                 | 0.00%    | 88.00                  | 21.26%   | (88.00)            | -21.26%  |
| 1972 - 1974                       | 17.00                   | 0.00                 | 0.00%    | 5.00                   | 29.41%   | (5.00)             | -29.41%  |
| 1973 - 1975                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1974 - 1976                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1975 - 1977                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1976 - 1978                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1977 - 1979                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1978 - 1980                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1979 - 1981                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1980 - 1982                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1981 - 1983                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1982 - 1984                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1983 - 1985                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1984 - 1986                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1985 - 1987                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1986 - 1988                       | 44.00                   | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1987 - 1989                       | 175.00                  | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1988 - 1990                       | 212.00                  | 0.00                 | 0.00%    | 60.00                  | 28.30%   | (60.00)            | -28.30%  |
| 1989 - 1991                       | 168.00                  | 0.00                 | 0.00%    | 60.00                  | 35.71%   | (60.00)            | -35.71%  |
| 1990 - 1992                       | 310.00                  | 0.00                 | 0.00%    | 284.00                 | 91.61%   | (284.00)           | -91.61%  |
| 1991 - 1993                       | 1,287.00                | 0.00                 | 0.00%    | 367.00                 | 28.52%   | (367.00)           | -28.52%  |
| 1992 - 1994                       | 1,287.00                | 0.00                 | 0.00%    | 367.00                 | 28.52%   | (367.00)           | -28.52%  |
| 1993 - 1995                       | 1,014.00                | 0.00                 | 0.00%    | 143.00                 | 14.10%   | (143.00)           | -14.10%  |
| 1994 - 1996                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1995 - 1997                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1996 - 1998                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1997 - 1999                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

# Rochester Gas & Electric Gas Plant

## 383.20 SPECIAL REGULATORS ON CUST. PREMISES

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007*

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 1998 - 2000                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1999 - 2001                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2000 - 2002                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2001 - 2003                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2002 - 2004                       | 0.00                    | 0.00                 | 0.00%    | 6,009.82               | 0.00%    | (6,009.82)         | 0.00%    |
| 2003 - 2005                       | 0.00                    | 0.00                 | 0.00%    | 7,613.09               | 0.00%    | (7,613.09)         | 0.00%    |
| 2004 - 2006                       | 0.00                    | 0.00                 | 0.00%    | 9,216.36               | 0.00%    | (9,216.36)         | 0.00%    |
| 2005 - 2007                       | 0.00                    | 0.00                 | 0.00%    | 3,206.54               | 0.00%    | (3,206.54)         | 0.00%    |
| 1970 - 2007                       | 2,042.00                | 0.00                 | 0.00     | 9,734.36               | 476.71   | (9,734.36)         | -476.71  |

### Trend Analysis (End Year)

2007

### \*Based Upon Three - Year Rolling Averages

### Gross Salvage Linear Trend Analysis

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 40.0  |
| Average Retirement Age (Yrs)     | 31.7  |
| Years To ASL                     | 8.3   |
| Inflation Factor At 2.75% to ASL | 1.25  |

|           |                 |       |
|-----------|-----------------|-------|
| 1988-2007 | 20 - Year Trend | 0.00% |
| 1993-2007 | 15 - Year Trend | 0.00% |
| 1998-2007 | 10 - Year Trend | 0.00% |
| 2003-2007 | 5 - Year Trend  | 0.00% |

### Forecasted

|                     |          |
|---------------------|----------|
| Gross Salvage       | 0.00%    |
| ( Five Year Trend ) |          |
| Cost Of Removal     | 596.62%  |
| Net Salvage         | -596.62% |

**Rochester Gas & Electric**  
**Gas Plant**  
**384.10 HOUSE REGULATOR INSTALLATIONS**  
*Forecasted Future Net Salvage*  
*Based Upon Experienced Net Salvage 1999 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1999                   | 98,276.00               | 0.00                 | 0.00%    | 82,344.00              | 83.79%   | (82,344.00)        | -83.79%  |
| 2000                   | 64,522.00               | 949.00               | 1.47%    | 63,586.00              | 98.55%   | (62,637.00)        | -97.08%  |
| 2001                   | 505,525.46              | -55.75               | -0.01%   | 1,804,442.47           | 356.94%  | (1,804,498.22)     | -356.95% |
| 2002                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2003                   | 341,821.27              | 0.00                 | 0.00%    | 445,776.83             | 130.41%  | (445,776.83)       | -130.41% |
| 2004                   | 0.00                    | 0.00                 | 0.00%    | 23,164.12              | 0.00%    | (23,164.12)        | 0.00%    |
| 2005                   | 0.00                    | 0.00                 | 0.00%    | 6,179.48               | 0.00%    | (6,179.48)         | 0.00%    |
| 2006                   | 2,212.23                | 0.00                 | 0.00%    | 6,179.48               | 279.33%  | (6,179.48)         | -279.33% |
| 2007                   | 3,560.91                | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

# Rochester Gas & Electric Gas Plant

## 384.10 HOUSE REGULATOR INSTALLATIONS

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1999 - 2007*

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |           |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|-----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u>  |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |           |
| 1999 - 2001                       | 668,323.46              | 893.25               | 0.13%    | 1,950,372.47           | 291.83%  | (1,949,479.22)     | -291.70%  |
| 2000 - 2002                       | 570,047.46              | 893.25               | 0.16%    | 1,868,028.47           | 327.70%  | (1,867,135.22)     | -327.54%  |
| 2001 - 2003                       | 847,346.73              | -55.75               | -0.01%   | 2,250,219.30           | 265.56%  | (2,250,275.05)     | -265.57%  |
| 2002 - 2004                       | 341,821.27              | 0.00                 | 0.00%    | 468,940.95             | 137.19%  | (468,940.95)       | -137.19%  |
| 2003 - 2005                       | 341,821.27              | 0.00                 | 0.00%    | 475,120.43             | 139.00%  | (475,120.43)       | -139.00%  |
| 2004 - 2006                       | 2,212.23                | 0.00                 | 0.00%    | 35,523.08              | 1605.76% | (35,523.08)        | -1605.76% |
| 2005 - 2007                       | 5,773.14                | 0.00                 | 0.00%    | 12,358.96              | 214.08%  | (12,358.96)        | -214.08%  |
| 1999 - 2007                       | 1,015,917.87            | 893.25               | 0.09     | 2,431,672.38           | 239.36   | (2,430,779.13)     | -239.27   |

**Trend Analysis (End Year) 2007**

**\*Based Upon Three - Year Rolling Averages**

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 40.0  |
| Average Retirement Age (Yrs)     | 16.1  |
| Years To ASL                     | 23.9  |
| Inflation Factor At 2.75% to ASL | 1.91  |

### Gross Salvage Linear Trend Analysis

|           |                 |       |
|-----------|-----------------|-------|
| 1988-2007 | 20 - Year Trend | 0.04% |
| 1993-2007 | 15 - Year Trend | 0.04% |
| 1998-2007 | 10 - Year Trend | 0.04% |
| 2003-2007 | 5 - Year Trend  | 0.00% |

### Forecasted

|                     |          |
|---------------------|----------|
| Gross Salvage       | 0.00%    |
| ( Five Year Trend ) |          |
| Cost Of Removal     | 457.72%  |
| Net Salvage         | -457.71% |

**Rochester Gas & Electric**  
**Gas Plant**

**384.20 SPECIAL REG. INSTALL ON CUST. PREMISES**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 1970                   | 609.00                  | 0.00                 | 0.00%    | 19.00                  | 3.12%    | (19.00)            | -3.12%   |
| 1971                   | 4,143.00                | 1,783.00             | 43.04%   | 874.00                 | 21.10%   | 909.00             | 21.94%   |
| 1972                   | 6,422.00                | 260.00               | 4.05%    | 83.00                  | 1.29%    | 177.00             | 2.76%    |
| 1973                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1974                   | 6,165.00                | 149.00               | 2.42%    | 0.00                   | 0.00%    | 149.00             | 2.42%    |
| 1975                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1976                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1977                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1978                   | 402.00                  | 0.00                 | 0.00%    | 153.00                 | 38.06%   | (153.00)           | -38.06%  |
| 1979                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1980                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1981                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1982                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1983                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1984                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1985                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1986                   | 1,183.00                | 0.00                 | 0.00%    | 713.00                 | 60.27%   | (713.00)           | -60.27%  |
| 1987                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1988                   | 6,358.00                | 0.00                 | 0.00%    | 3,600.00               | 56.62%   | (3,600.00)         | -56.62%  |
| 1989                   | 1,293.00                | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1990                   | 883.00                  | 0.00                 | 0.00%    | 1,440.00               | 163.08%  | (1,440.00)         | -163.08% |
| 1991                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1992                   | 10,938.00               | 0.00                 | 0.00%    | 6,026.00               | 55.09%   | (6,026.00)         | -55.09%  |
| 1993                   | 16,198.00               | 0.00                 | 0.00%    | 8,316.00               | 51.34%   | (8,316.00)         | -51.34%  |
| 1994                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1995                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1996                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1997                   | 5,125.00                | 0.00                 | 0.00%    | 1,500.00               | 29.27%   | (1,500.00)         | -29.27%  |

# ***Rochester Gas & Electric***

## ***Gas Plant***

**384.20 SPECIAL REG. INSTALL ON CUST. PREMISES**

***Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007***

| <u>Year</u>            | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> | <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> | <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> | <u>%</u> |
|------------------------|-----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|
| <u>Annual Activity</u> |                                               |                                       |          |                                         |          |                                     |          |
| 1998                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 1999                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 2000                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 2001                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 2002                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 2003                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |
| 2004                   | 0.00                                          | 0.00                                  | 0.00%    | 23,164.13                               | 0.00%    | (23,164.13)                         | 0.00%    |
| 2005                   | 0.00                                          | 0.00                                  | 0.00%    | 6,179.42                                | 0.00%    | (6,179.42)                          | 0.00%    |
| 2006                   | 0.00                                          | 0.00                                  | 0.00%    | 6,179.42                                | 0.00%    | (6,179.42)                          | 0.00%    |
| 2007                   | 0.00                                          | 0.00                                  | 0.00%    | 0.00                                    | 0.00%    | 0.00                                | 0.00%    |

# Rochester Gas & Electric Gas Plant

**384.20 SPECIAL REG. INSTALL ON CUST. PREMISES**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007*

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 1970 - 1972                       | 11,174.00               | 2,043.00             | 18.28%   | 976.00                 | 8.73%    | 1,067.00           | 9.55%    |
| 1971 - 1973                       | 10,565.00               | 2,043.00             | 19.34%   | 957.00                 | 9.06%    | 1,086.00           | 10.28%   |
| 1972 - 1974                       | 12,587.00               | 409.00               | 3.25%    | 83.00                  | 0.66%    | 326.00             | 2.59%    |
| 1973 - 1975                       | 6,165.00                | 149.00               | 2.42%    | 0.00                   | 0.00%    | 149.00             | 2.42%    |
| 1974 - 1976                       | 6,165.00                | 149.00               | 2.42%    | 0.00                   | 0.00%    | 149.00             | 2.42%    |
| 1975 - 1977                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1976 - 1978                       | 402.00                  | 0.00                 | 0.00%    | 153.00                 | 38.06%   | (153.00)           | -38.06%  |
| 1977 - 1979                       | 402.00                  | 0.00                 | 0.00%    | 153.00                 | 38.06%   | (153.00)           | -38.06%  |
| 1978 - 1980                       | 402.00                  | 0.00                 | 0.00%    | 153.00                 | 38.06%   | (153.00)           | -38.06%  |
| 1979 - 1981                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1980 - 1982                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1981 - 1983                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1982 - 1984                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1983 - 1985                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1984 - 1986                       | 1,183.00                | 0.00                 | 0.00%    | 713.00                 | 60.27%   | (713.00)           | -60.27%  |
| 1985 - 1987                       | 1,183.00                | 0.00                 | 0.00%    | 713.00                 | 60.27%   | (713.00)           | -60.27%  |
| 1986 - 1988                       | 7,541.00                | 0.00                 | 0.00%    | 4,313.00               | 57.19%   | (4,313.00)         | -57.19%  |
| 1987 - 1989                       | 7,651.00                | 0.00                 | 0.00%    | 3,600.00               | 47.05%   | (3,600.00)         | -47.05%  |
| 1988 - 1990                       | 8,534.00                | 0.00                 | 0.00%    | 5,040.00               | 59.06%   | (5,040.00)         | -59.06%  |
| 1989 - 1991                       | 2,176.00                | 0.00                 | 0.00%    | 1,440.00               | 66.18%   | (1,440.00)         | -66.18%  |
| 1990 - 1992                       | 11,821.00               | 0.00                 | 0.00%    | 7,466.00               | 63.16%   | (7,466.00)         | -63.16%  |
| 1991 - 1993                       | 27,136.00               | 0.00                 | 0.00%    | 14,342.00              | 52.85%   | (14,342.00)        | -52.85%  |
| 1992 - 1994                       | 27,136.00               | 0.00                 | 0.00%    | 14,342.00              | 52.85%   | (14,342.00)        | -52.85%  |
| 1993 - 1995                       | 16,198.00               | 0.00                 | 0.00%    | 8,316.00               | 51.34%   | (8,316.00)         | -51.34%  |
| 1994 - 1996                       | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1995 - 1997                       | 5,125.00                | 0.00                 | 0.00%    | 1,500.00               | 29.27%   | (1,500.00)         | -29.27%  |
| 1996 - 1998                       | 5,125.00                | 0.00                 | 0.00%    | 1,500.00               | 29.27%   | (1,500.00)         | -29.27%  |
| 1997 - 1999                       | 5,125.00                | 0.00                 | 0.00%    | 1,500.00               | 29.27%   | (1,500.00)         | -29.27%  |

# Rochester Gas & Electric Gas Plant

**384.20 SPECIAL REG. INSTALL ON CUST. PREMISES**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 1970 - 2007*

| <u>Year</u>                       | <u>Original Cost Of<br/>Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-----------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   |                                         | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                                         |                      |          |                        |          |                    |          |
| 1998 - 2000                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1999 - 2001                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2000 - 2002                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2001 - 2003                       | 0.00                                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2002 - 2004                       | 0.00                                    | 0.00                 | 0.00%    | 23,164.13              | 0.00%    | (23,164.13)        | 0.00%    |
| 2003 - 2005                       | 0.00                                    | 0.00                 | 0.00%    | 29,343.55              | 0.00%    | (29,343.55)        | 0.00%    |
| 2004 - 2006                       | 0.00                                    | 0.00                 | 0.00%    | 35,522.97              | 0.00%    | (35,522.97)        | 0.00%    |
| 2005 - 2007                       | 0.00                                    | 0.00                 | 0.00%    | 12,358.84              | 0.00%    | (12,358.84)        | 0.00%    |
| 1970 - 2007                       | 59,719.00                               | 2,192.00             | 3.67     | 58,246.97              | 97.54    | (56,054.97)        | -93.86   |

**Trend Analysis (End Year) 2007**

**\*Based Upon Three - Year Rolling Averages**

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 40.0  |
| Average Retirement Age (Yrs)     | 37.8  |
| Years To ASL                     | 2.2   |
| Inflation Factor At 2.75% to ASL | 1.06  |

**Gross Salvage  
Linear Trend Analysis**

|           |                 |       |
|-----------|-----------------|-------|
| 1988-2007 | 20 - Year Trend | 0.00% |
| 1993-2007 | 15 - Year Trend | 0.00% |
| 1998-2007 | 10 - Year Trend | 0.00% |
| 2003-2007 | 5 - Year Trend  | 0.00% |

**Forecasted**

|                     |          |
|---------------------|----------|
| Gross Salvage       | 0.00%    |
| ( Five Year Trend ) |          |
| Cost Of Removal     | 103.52%  |
| Net Salvage         | -103.52% |

**Rochester Gas & Electric**  
**Gas Plant**  
**387.00 OTHER EQUIPMENT**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage**

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> % | <u>Cost of Removal</u><br><u>Amount</u> % | <u>Net Salvage</u><br><u>Amount</u> % |
|-------------|-----------------------------------------------|-----------------------------------------|-------------------------------------------|---------------------------------------|
|-------------|-----------------------------------------------|-----------------------------------------|-------------------------------------------|---------------------------------------|

Three - Year Rolling Bands

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No Retirement / Net Salvage Data Found For This Account

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|      |               |               |               |
|------|---------------|---------------|---------------|
| 0.00 | 0.00    #Num! | 0.00    #Num! | 0.00    #Num! |
|------|---------------|---------------|---------------|

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**Trend Analysis (End Year)                      2007**

**\*Based Upon Three - Year Rolling Averages**

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 35.0  |
| Average Retirement Age (Yrs)     | 40.3  |
| Years To ASL                     | -5.3  |
| Inflation Factor At 2.75% to ASL | 0.87  |

Gross Salvage  
Linear Trend Analysis

|                 |   |
|-----------------|---|
| 20 - Year Trend | % |
| 15 - Year Trend | % |
| 10 - Year Trend | % |
| 5 - Year Trend  | % |

**Forecasted**

**Gross Salvage                      %**  
( Five Year Trend )

**Cost Of Removal                      #Error**

**Net Salvage                      #Error**

**Rochester Gas & Electric  
Gas Plant**

**387.10 TRANSPORTATION MONITORING EQUIP.**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 2003 - 2007*

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |          |
| 2003                   | 102.52                  | 0.00                 | 0.00%    | 171.96                 | 167.73%  | (171.96)           | -167.73% |
| 2004                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2005                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2006                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 2007                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |

**Rochester Gas & Electric  
Gas Plant**

**387.10 TRANSPORTATION MONITORING EQUIP.**

**Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage 2003 - 2007**

| <u>Year</u> | <u>Original Cost Of<br/>Retirements</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-------------|-----------------------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|             |                                         | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |

**Three - Year Rolling Bands**

|             |        |      |       |        |         |          |          |
|-------------|--------|------|-------|--------|---------|----------|----------|
| 2003 - 2005 | 102.52 | 0.00 | 0.00% | 171.96 | 167.73% | (171.96) | -167.73% |
| 2004 - 2006 | 0.00   | 0.00 | 0.00% | 0.00   | 0.00%   | 0.00     | 0.00%    |
| 2005 - 2007 | 0.00   | 0.00 | 0.00% | 0.00   | 0.00%   | 0.00     | 0.00%    |
| 2003 - 2007 | 102.52 | 0.00 | 0.00  | 171.96 | 167.73  | (171.96) | -167.73  |

**Trend Analysis (End Year) 2007**

**\*Based Upon Three - Year Rolling Averages**

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 20.0  |
| Average Retirement Age (Yrs)     | 13.0  |
| Years To ASL                     | 7.0   |
| Inflation Factor At 2.75% to ASL | 1.21  |

**Gross Salvage  
Linear Trend Analysis**

|           |                 |       |
|-----------|-----------------|-------|
| 1988-2007 | 20 - Year Trend | 0.00% |
| 1993-2007 | 15 - Year Trend | 0.00% |
| 1998-2007 | 10 - Year Trend | 0.00% |
| 2003-2007 | 5 - Year Trend  | 0.00% |

**Forecasted**

|                        |          |
|------------------------|----------|
| <b>Gross Salvage</b>   | 0.00%    |
| ( Five Year Trend )    |          |
| <b>Cost Of Removal</b> | 202.84%  |
| <b>Net Salvage</b>     | -202.84% |

**Rochester Gas & Electric**  
**Gas Plant**  
**390.00 STRUCUTRES & IMPROVEMENTS**

*Forecasted Future Net Salvage  
Based Upon Experienced Net Salvage*

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> % | <u>Cost of Removal</u><br><u>Amount</u> % | <u>Net Salvage</u><br><u>Amount</u> % |
|-------------|-----------------------------------------------|-----------------------------------------|-------------------------------------------|---------------------------------------|
|-------------|-----------------------------------------------|-----------------------------------------|-------------------------------------------|---------------------------------------|

Three - Year Rolling Bands

No Retirement / Net Salvage Data Found For This Account

|      |               |               |               |
|------|---------------|---------------|---------------|
| 0.00 | 0.00    #Num! | 0.00    #Num! | 0.00    #Num! |
|------|---------------|---------------|---------------|

Trend Analysis (End Year)      2007

\*Based Upon Three - Year Rolling Averages

Gross Salvage  
Linear Trend Analysis

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 30.0  |
| Average Retirement Age (Yrs)     | 25.8  |
| Years To ASL                     | 4.2   |
| Inflation Factor At 2.75% to ASL | 1.12  |

|                 |   |
|-----------------|---|
| 20 - Year Trend | % |
| 15 - Year Trend | % |
| 10 - Year Trend | % |
| 5 - Year Trend  | % |

Forecasted

**Gross Salvage**      %  
( Five Year Trend )

**Cost Of Removal**      #Error

**Net Salvage**      #Error

**Rochester Gas & Electric**  
**Common Plant**  
**390.00 STRUCUTRES & IMPROVEMENTS**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u>            | <u>Orginal Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|------------------------|------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                        | <u>Retirements</u>     | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Annual Activity</u> |                        |                      |          |                        |          |                    |          |
| 1961                   | 51,548.00              | 151,031.00           | 292.99%  | 12,599.00              | 24.44%   | 138,432.00         | 268.55%  |
| 1962                   | 537,482.00             | 13,690.00            | 2.55%    | 167,405.00             | 31.15%   | (153,715.00)       | -28.60%  |
| 1963                   | 61,091.00              | 583.00               | 0.95%    | 22,263.00              | 36.44%   | (21,680.00)        | -35.49%  |
| 1964                   | 102,936.00             | 22,375.00            | 21.74%   | 33,885.00              | 32.92%   | (11,510.00)        | -11.18%  |
| 1965                   | 46,466.00              | 60.00                | 0.13%    | 8,642.00               | 18.60%   | (8,582.00)         | -18.47%  |
| 1966                   | 43,238.00              | 13,299.00            | 30.76%   | 2,769.00               | 6.40%    | 10,530.00          | 24.35%   |
| 1967                   | 3,524.00               | 0.00                 | 0.00%    | 3,562.00               | 101.08%  | (3,562.00)         | -101.08% |
| 1968                   | 8,713.00               | 95.00                | 1.09%    | 8,042.00               | 92.30%   | (7,947.00)         | -91.21%  |
| 1969                   | 14,595.00              | 107,722.00           | 738.07%  | 10,827.00              | 74.18%   | 96,895.00          | 663.89%  |
| 1970                   | 9,752.00               | 0.00                 | 0.00%    | 6,181.00               | 63.38%   | (6,181.00)         | -63.38%  |
| 1971                   | 16,880.00              | 600.00               | 3.55%    | 5,089.00               | 30.15%   | (4,489.00)         | -26.59%  |
| 1972                   | 359.00                 | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1973                   | 13,000.00              | 0.00                 | 0.00%    | 4,679.00               | 35.99%   | (4,679.00)         | -35.99%  |
| 1974                   | 16,920.00              | 2,353.00             | 13.91%   | 11,755.00              | 69.47%   | (9,402.00)         | -55.57%  |
| 1975                   | 23,212.00              | 0.00                 | 0.00%    | 5,484.00               | 23.63%   | (5,484.00)         | -23.63%  |
| 1976                   | 58,938.00              | 250.00               | 0.42%    | 29,591.00              | 50.21%   | (29,341.00)        | -49.78%  |
| 1977                   | 31,799.00              | 115.00               | 0.36%    | 21,947.00              | 69.02%   | (21,832.00)        | -68.66%  |
| 1978                   | 61,280.00              | 708.00               | 1.16%    | 35,553.00              | 58.02%   | (34,845.00)        | -56.86%  |
| 1979                   | 241,282.00             | 0.00                 | 0.00%    | 95,447.00              | 39.56%   | (95,447.00)        | -39.56%  |
| 1980                   | 256,555.00             | 6,650.00             | 2.59%    | 108,905.00             | 42.45%   | (102,255.00)       | -39.86%  |
| 1981                   | 109,368.00             | 1,200.00             | 1.10%    | 45,661.00              | 41.75%   | (44,461.00)        | -40.65%  |
| 1982                   | 141,380.00             | 532.00               | 0.38%    | 48,070.00              | 34.00%   | (47,538.00)        | -33.62%  |
| 1983                   | 146,031.00             | 0.00                 | 0.00%    | 70,981.00              | 48.61%   | (70,981.00)        | -48.61%  |
| 1984                   | 306,474.00             | 54.00                | 0.02%    | 91,333.00              | 29.80%   | (91,279.00)        | -29.78%  |
| 1985                   | 273,212.00             | 0.00                 | 0.00%    | 127,661.00             | 46.73%   | (127,661.00)       | -46.73%  |
| 1986                   | 0.00                   | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%    |
| 1987                   | 131,565.00             | 18.00                | 0.01%    | 66,831.00              | 50.80%   | (66,813.00)        | -50.78%  |
| 1988                   | 160,358.00             | 2,459.00             | 1.53%    | 186,796.00             | 116.49%  | (184,337.00)       | -114.95% |

***Rochester Gas & Electric***  
***Common Plant***  
**390.00 STRUCUTRES & IMPROVEMENTS**  
***Forecasted Future Net Salvage***  
***Based Upon Experienced Net Salvage 1961 - 2007***

| <u>Year</u>            | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |           |
|------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|-----------|
|                        | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u>  |
| <u>Annual Activity</u> |                         |                      |          |                        |          |                    |           |
| 1989                   | 3,967.00                | 0.00                 | 0.00%    | 47,134.00              | 1188.15% | (47,134.00)        | -1188.15% |
| 1990                   | 192,858.00              | 217.00               | 0.11%    | 108,563.00             | 56.29%   | (108,346.00)       | -56.18%   |
| 1991                   | 718,349.00              | 3,200.00             | 0.45%    | 371,682.00             | 51.74%   | (368,482.00)       | -51.30%   |
| 1992                   | 707,523.00              | 458.00               | 0.06%    | 253,133.00             | 35.78%   | (252,675.00)       | -35.71%   |
| 1993                   | 259,812.00              | 537.00               | 0.21%    | 75,444.00              | 29.04%   | (74,907.00)        | -28.83%   |
| 1994                   | 441,223.00              | 3,659.00             | 0.83%    | 3,227.00               | 0.73%    | 432.00             | 0.10%     |
| 1995                   | 12,777,825.00           | 242.00               | 0.00%    | 79,223.00              | 0.62%    | (78,981.00)        | -0.62%    |
| 1996                   | 210,876.00              | 2,818.00             | 1.34%    | 0.00                   | 0.00%    | 2,818.00           | 1.34%     |
| 1997                   | 328,885.00              | 10,500.00            | 3.19%    | 90,482.00              | 27.51%   | (79,982.00)        | -24.32%   |
| 1998                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%     |
| 1999                   | 3,055,801.00            | 26.00                | 0.00%    | 235,587.00             | 7.71%    | (235,561.00)       | -7.71%    |
| 2000                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%     |
| 2001                   | 2,284.05                | 211.13               | 9.24%    | 0.00                   | 0.00%    | 211.13             | 9.24%     |
| 2002                   | 3,664,115.42            | 0.00                 | 0.00%    | 526.87                 | 0.01%    | (526.87)           | -0.01%    |
| 2003                   | 0.00                    | 0.00                 | 0.00%    | 0.00                   | 0.00%    | 0.00               | 0.00%     |
| 2004                   | 4,955.70                | 4,384.65             | 88.48%   | 2,472.59               | 49.89%   | 1,912.06           | 38.58%    |
| 2005                   | 35,819.13               | 0.00                 | 0.00%    | 21,885.12              | 61.10%   | (21,885.12)        | -61.10%   |
| 2006                   | 15,516.15               | 0.00                 | 0.00%    | 21,885.12              | 141.05%  | (21,885.12)        | -141.05%  |
| 2007                   | 183,263.25              | 0.00                 | 0.00%    | 173,503.94             | 94.67%   | (173,503.94)       | -94.67%   |

**Rochester Gas & Electric**  
**Common Plant**  
**390.00 STRUCUTRES & IMPROVEMENTS**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u>                       | <u>Original Cost Of</u> | <u>Gross Salvage</u> |          | <u>Cost of Removal</u> |          | <u>Net Salvage</u> |          |
|-----------------------------------|-------------------------|----------------------|----------|------------------------|----------|--------------------|----------|
|                                   | <u>Retirements</u>      | <u>Amount</u>        | <u>%</u> | <u>Amount</u>          | <u>%</u> | <u>Amount</u>      | <u>%</u> |
| <u>Three - Year Rolling Bands</u> |                         |                      |          |                        |          |                    |          |
| 1961 - 1963                       | 650,121.00              | 165,304.00           | 25.43%   | 202,267.00             | 31.11%   | (36,963.00)        | -5.69%   |
| 1962 - 1964                       | 701,509.00              | 36,648.00            | 5.22%    | 223,553.00             | 31.87%   | (186,905.00)       | -26.64%  |
| 1963 - 1965                       | 210,493.00              | 23,018.00            | 10.94%   | 64,790.00              | 30.78%   | (41,772.00)        | -19.84%  |
| 1964 - 1966                       | 192,640.00              | 35,734.00            | 18.55%   | 45,296.00              | 23.51%   | (9,562.00)         | -4.96%   |
| 1965 - 1967                       | 93,228.00               | 13,359.00            | 14.33%   | 14,973.00              | 16.06%   | (1,614.00)         | -1.73%   |
| 1966 - 1968                       | 55,475.00               | 13,394.00            | 24.14%   | 14,373.00              | 25.91%   | (979.00)           | -1.76%   |
| 1967 - 1969                       | 26,832.00               | 107,817.00           | 401.82%  | 22,431.00              | 83.60%   | 85,386.00          | 318.22%  |
| 1968 - 1970                       | 33,060.00               | 107,817.00           | 326.13%  | 25,050.00              | 75.77%   | 82,767.00          | 250.35%  |
| 1969 - 1971                       | 41,227.00               | 108,322.00           | 262.75%  | 22,097.00              | 53.60%   | 86,225.00          | 209.15%  |
| 1970 - 1972                       | 26,991.00               | 600.00               | 2.22%    | 11,270.00              | 41.75%   | (10,670.00)        | -39.53%  |
| 1971 - 1973                       | 30,239.00               | 600.00               | 1.98%    | 9,768.00               | 32.30%   | (9,168.00)         | -30.32%  |
| 1972 - 1974                       | 30,279.00               | 2,353.00             | 7.77%    | 16,434.00              | 54.28%   | (14,081.00)        | -46.50%  |
| 1973 - 1975                       | 53,132.00               | 2,353.00             | 4.43%    | 21,918.00              | 41.25%   | (19,565.00)        | -36.82%  |
| 1974 - 1976                       | 99,070.00               | 2,603.00             | 2.63%    | 46,830.00              | 47.27%   | (44,227.00)        | -44.64%  |
| 1975 - 1977                       | 113,949.00              | 365.00               | 0.32%    | 57,022.00              | 50.04%   | (56,657.00)        | -49.72%  |
| 1976 - 1978                       | 152,017.00              | 1,073.00             | 0.71%    | 87,091.00              | 57.29%   | (86,018.00)        | -56.58%  |
| 1977 - 1979                       | 334,361.00              | 823.00               | 0.25%    | 152,947.00             | 45.74%   | (152,124.00)       | -45.50%  |
| 1978 - 1980                       | 559,117.00              | 7,358.00             | 1.32%    | 239,905.00             | 42.91%   | (232,547.00)       | -41.59%  |
| 1979 - 1981                       | 607,205.00              | 7,850.00             | 1.29%    | 250,013.00             | 41.17%   | (242,163.00)       | -39.88%  |
| 1980 - 1982                       | 507,303.00              | 8,382.00             | 1.65%    | 202,636.00             | 39.94%   | (194,254.00)       | -38.29%  |
| 1981 - 1983                       | 396,779.00              | 1,732.00             | 0.44%    | 164,712.00             | 41.51%   | (162,980.00)       | -41.08%  |
| 1982 - 1984                       | 593,885.00              | 586.00               | 0.10%    | 210,384.00             | 35.43%   | (209,798.00)       | -35.33%  |
| 1983 - 1985                       | 725,717.00              | 54.00                | 0.01%    | 289,975.00             | 39.96%   | (289,921.00)       | -39.95%  |
| 1984 - 1986                       | 579,686.00              | 54.00                | 0.01%    | 218,994.00             | 37.78%   | (218,940.00)       | -37.77%  |
| 1985 - 1987                       | 404,777.00              | 18.00                | 0.00%    | 194,492.00             | 48.05%   | (194,474.00)       | -48.04%  |
| 1986 - 1988                       | 291,923.00              | 2,477.00             | 0.85%    | 253,627.00             | 86.88%   | (251,150.00)       | -86.03%  |
| 1987 - 1989                       | 295,890.00              | 2,477.00             | 0.84%    | 300,761.00             | 101.65%  | (298,284.00)       | -100.81% |
| 1988 - 1990                       | 357,183.00              | 2,676.00             | 0.75%    | 342,493.00             | 95.89%   | (339,817.00)       | -95.14%  |

**Rochester Gas & Electric**  
**Common Plant**  
**390.00 STRUCUTRES & IMPROVEMENTS**  
*Forecasted Future Net Salvage*  
*Based Upon Experienced Net Salvage 1961 - 2007*

| <u>Year</u>                              | <u>Orginal Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> | <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> | <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> | <u>%</u> |
|------------------------------------------|----------------------------------------------|---------------------------------------|----------|-----------------------------------------|----------|-------------------------------------|----------|
| <b><u>Three - Year Rolling Bands</u></b> |                                              |                                       |          |                                         |          |                                     |          |
| 1989 - 1991                              | 915,174.00                                   | 3,417.00                              | 0.37%    | 527,379.00                              | 57.63%   | (523,962.00)                        | -57.25%  |
| 1990 - 1992                              | 1,618,730.00                                 | 3,875.00                              | 0.24%    | 733,378.00                              | 45.31%   | (729,503.00)                        | -45.07%  |
| 1991 - 1993                              | 1,685,684.00                                 | 4,195.00                              | 0.25%    | 700,259.00                              | 41.54%   | (696,064.00)                        | -41.29%  |
| 1992 - 1994                              | 1,408,558.00                                 | 4,654.00                              | 0.33%    | 331,804.00                              | 23.56%   | (327,150.00)                        | -23.23%  |
| 1993 - 1995                              | 13,478,860.00                                | 4,438.00                              | 0.03%    | 157,894.00                              | 1.17%    | (153,456.00)                        | -1.14%   |
| 1994 - 1996                              | 13,429,924.00                                | 6,719.00                              | 0.05%    | 82,450.00                               | 0.61%    | (75,731.00)                         | -0.56%   |
| 1995 - 1997                              | 13,317,586.00                                | 13,560.00                             | 0.10%    | 169,705.00                              | 1.27%    | (156,145.00)                        | -1.17%   |
| 1996 - 1998                              | 539,761.00                                   | 13,318.00                             | 2.47%    | 90,482.00                               | 16.76%   | (77,164.00)                         | -14.30%  |
| 1997 - 1999                              | 3,384,686.00                                 | 10,526.00                             | 0.31%    | 326,069.00                              | 9.63%    | (315,543.00)                        | -9.32%   |
| 1998 - 2000                              | 3,055,801.00                                 | 26.00                                 | 0.00%    | 235,587.00                              | 7.71%    | (235,561.00)                        | -7.71%   |
| 1999 - 2001                              | 3,058,085.05                                 | 237.13                                | 0.01%    | 235,587.00                              | 7.70%    | (235,349.87)                        | -7.70%   |
| 2000 - 2002                              | 3,666,399.47                                 | 211.13                                | 0.01%    | 526.87                                  | 0.01%    | (315.74)                            | -0.01%   |
| 2001 - 2003                              | 3,666,399.47                                 | 211.13                                | 0.01%    | 526.87                                  | 0.01%    | (315.74)                            | -0.01%   |
| 2002 - 2004                              | 3,669,071.12                                 | 4,384.65                              | 0.12%    | 2,999.46                                | 0.08%    | 1,385.19                            | 0.04%    |
| 2003 - 2005                              | 40,774.83                                    | 4,384.65                              | 10.75%   | 24,357.71                               | 59.74%   | (19,973.06)                         | -48.98%  |
| 2004 - 2006                              | 56,290.98                                    | 4,384.65                              | 7.79%    | 46,242.83                               | 82.15%   | (41,858.18)                         | -74.36%  |
| 2005 - 2007                              | 234,598.53                                   | 0.00                                  | 0.00%    | 217,274.18                              | 92.62%   | (217,274.18)                        | -92.62%  |

**Rochester Gas & Electric**  
**Common Plant**  
**390.00 STRUCTURES & IMPROVEMENTS**  
**Forecasted Future Net Salvage**  
**Based Upon Experienced Net Salvage 1961 - 2007**

| <u>Year</u> | <u>Original Cost Of</u><br><u>Retirements</u> | <u>Gross Salvage</u><br><u>Amount</u> <u>%</u> | <u>Cost of Removal</u><br><u>Amount</u> <u>%</u> | <u>Net Salvage</u><br><u>Amount</u> <u>%</u> |
|-------------|-----------------------------------------------|------------------------------------------------|--------------------------------------------------|----------------------------------------------|
|-------------|-----------------------------------------------|------------------------------------------------|--------------------------------------------------|----------------------------------------------|

**Three - Year Rolling Bands**

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|             |               |            |      |              |       |                |       |
|-------------|---------------|------------|------|--------------|-------|----------------|-------|
| 1961 - 2007 | 25,471,030.70 | 350,046.78 | 1.37 | 2,716,706.64 | 10.67 | (2,366,659.86) | -9.29 |
|-------------|---------------|------------|------|--------------|-------|----------------|-------|

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**Trend Analysis (End Year)                      2007**

**\*Based Upon Three - Year Rolling Averages**

|                                  |       |
|----------------------------------|-------|
| Annual Inflation Rate            | 2.75% |
| Average Service Life (ASL)       | 30.0  |
| Average Retirement Age (Yrs)     | 21.1  |
| Years To ASL                     | 8.9   |
| Inflation Factor At 2.75% to ASL | 1.27  |

| <u>Gross Salvage</u><br><u>Linear Trend Analysis</u> |                 |       |
|------------------------------------------------------|-----------------|-------|
| 1988-2007                                            | 20 - Year Trend | 3.20% |
| 1993-2007                                            | 15 - Year Trend | 4.09% |
| 1998-2007                                            | 10 - Year Trend | 4.95% |
| 2003-2007                                            | 5 - Year Trend  | 6.03% |

**Forecasted**

|                            |        |
|----------------------------|--------|
| <b>Gross Salvage</b>       | 6.03%  |
| <b>( Five Year Trend )</b> |        |
| <b>Cost Of Removal</b>     | 13.57% |
| <b>Net Salvage</b>         | -7.54% |