Table 4

Rochester Gas & Electric

Gas & Common Plant

Summary of Original Cost of Utility Plant in Service as of December 31, 2008
Per Books, Adjustments, and Adjusted Original Cost Per Depreciation Study

Acct. No. (a)	Account Description (b)	Original Cost 12-31-08 (c)	Pending Adjustments (d)	Original Cost Per Depr Study 12-31-08 (e)
	General Plant			
390.00	STRUCTURES & IMPROVEMENTS	369,964.89		369,964.89
	TOTAL STRUCT. & IMPROV.	369,964.89	0.00	369,964.89
	TOTAL General Plant	369,964.89	0.00	369,964.89
	TOTAL GAS Depreciable Plant	609,656,962.58	0.00	609,656,962.58
	GAS AMORTIZABLE ACCOUNTS			
301.00	ORGANIZATION	382.91		382.91
302.00	FRANCHISES & CONSENTS	921.12		921.12
303.00	INTANGIBLES	906,436.54		906,436.54
	TOTAL GAS Amortizable Accounts	907,740.57	0.00	907,740.57
	Gas Vintage Year Accounting			
394.00	TOOLS, SHOP, AND GARAGE EQUIPMENT	3,260,371.36		3,260,371.36
	TOTAL GAS Vintage Year Accounting	3,260,371.36	0.00	3,260,371.36
	GAS NON-DEPRECIABLE PLANT			
374.10	LAND & LAND RIGHTS	223,980.61		223,980.61
389.00	LAND & LAND RIGHTS	9,376.87		9,376.87
	TOTAL GAS Non-Depreciable Plant	233,357.48	0.00	233,357.48
	TOTAL GAS Utility Plant in Service	614,058,431.99	0.00	614,058,431.99
	COMMON DEPRECIABLE PLANT			
390.00	STRUCTURES & IMPROVEMENTS	27,788,051.03	(902,183.58)	26,885,867.45
392.00	TRANSPORTATION EQUIPMENT	29,312,656.20		29,312,656.20
396.00	POWER OPERATED EQUIPMENT	5,845,014.34		5,845,014.34
	TOTAL COMMON Depreciable Plant	62,945,721.57	(902,183.58)	62,043,537.99
	COMMON AMORTIZABLE ACCOUNTS			
303.00	INTANGIBLES	83,970,698.30		83,970,698.30
390.10-.50	STRUCTURES & IMPROVEMENTS	12,632,047.97	902,183.58	13,534,231.55
	TOTAL COMMON Amortizable Accounts	96,602,746.27	902,183.58	97,504,929.85
	COMMON Vintage Year Accounting			
391.00	OFFICE FURNITURE AND EQUIPMENT	24,832,325.94		24,832,325.94
393.00	STORES EQUIPMENT	517,425.57		517,425.57
394.00	TOOLS, SHOP, AND GARAGE EQUIPMENT	7,335,653.91		7,335,653.91
395.00	LABORATORY EQUIPMENT	2,111,423.90		2,111,423.90
397.00	COMMUNICATION EQUIPMENT	12,791,817.30		12,791,817.30
398.00	MISCELLANEOUS EQUIPMENT	2,710,259.36		2,710,259.36
	TOTAL COMMON Vintage Year Accounting	50,298,905.98	0.00	50,298,905.98

Table 4

Rochester Gas & Electric

Gas & Common Plant

Summary of Original Cost of Utility Plant in Service as of December 31, 2008
Per Books.Adjustments, and Adjusted Original Cost Per Depreciation Study

Acct. No. (a)	Account Description (b)	Original Cost 12-31-08 (c)	Pending Adjustments (d)	Original Cost Per Depr. Study 12-31-08 (e)
	NON-DEPRECIABLE PLANT			
389.00	LAND & LAND RIGHTS	2,408,610.10		2,408,610.10
	TOTAL COMMON Non-Depreciable Plant	2,408,610.10	0.00	2,408,610.10
	TOTAL COMMON Utility Plant in Service	212,255,983.92	0.00	212,255,983.92

Table 5

Rochester Gas & Electric
Gas & Common Plant
Summary of Depreciation Reserve Related to Utility Plant in Service as of December 31, 2008
Per Books,Adjustment, and Adjusted Depreciation Reserve Per Depreciation Study

Acct No. (a)	Account Description (b)	Depreciation Reserve Per Books 12-31-08 (c)	Pending Adjustment (d)	Pending Retirements (e)	Depreciation Reserve Per Depr. Study 12-31-08 (f)
	DEPRECIABLE PLANT				
	Production Equipment				
325.20	PRODUCTION LEASEHOLDS	12,117.79			12,117.79
330.00	WELL CONSTRUCTION	2,994.94			2,994.94
331.00	WELL EQUIPMENT	4,093.38			4,093.38
332.00	FIELD LINES	69,084.04			69,084.04
335.05	DRILLING & CLEANING EQUIPMENT	3,507.80			3,507.80
	TOTAL Production Equipment	91,797.95	0.00	0.00	91,797.95
	Distribution Plant				
374.20	LAND RIGHTS	910,120.40			910,120.40
375.00	STRUCTURES & IMPROVEMENTS	277,454.93			277,454.93
376.10	MAINS - STEEL	93,916,982.93			93,916,982.93
376.11	MAINS - DUAL FUEL CUSTOMERS	-278,507.40			
376.20	MAINS - PLASTIC	24,499,123.28			24,499,123.28
376.30	MAINS - CAST IRON	1,711,560.96			1,711,560.96
376.40	MAINS - VALVE GT 4 INCH	-12,495.37			-12,495.37
	TOTAL Account 376	119,836,664.40	0.00	0.00	120,115,171.80
378.10	MEAS. AND REG. STATION EQUIP - INSIDE	2,522,042.89			2,522,042.89
378.11	MEAS. AND REG. STAT EQ - OUTSIDE	2,300,120.24			2,300,120.24
	TOTAL Account 378	4,822,163.13	0.00	0.00	4,822,163.13
380.10	SERVICES - STEEL	28,569,782.08			28,569,782.08
380.20	SERVICES - PLASTIC	48,237,815.91			48,237,815.91
	TOTAL Account 380	76,807,597.99	0.00	0.00	76,807,597.99
381.00	METERS	6,902,126.06			6,902,126.06
382.00	METER INSTALLATIONS	10,310,825.83			10,310,825.83
383.10	HOUSE REGULATORS	1,511,361.43			1,511,361.43
383.20	SPECIAL REGULATORS ON CUST PREMISES	12,425.07			12,425.07
	TOTAL Account 383	1,523,786.50	0.00	0.00	1,523,786.50
384.10	HOUSE REGULATOR INSTALLATIONS	1,492,574.26			1,492,574.26
384.20	SPECIAL REG INSTALL ON CUST PREMISES	562,891.34			562,891.34
	TOTAL Account 384	2,055,465.60	0.00	0.00	2,055,465.60
387.00	OTHER EQUIPMENT	25,279.92			25,279.92
387.10	TRANSPORTATION MONITORING EQUIP	534,792.48			534,792.48
	TOTAL Account 387	560,072.40	0.00	0.00	560,072.40

Table 5

Rochester Gas & Electric

Gas & Common Plant

Summary of Depreciation Reserve Related to Utility Plant in Service as of December 31, 2008
Per Books,Adjustment, and Adjusted Depreciation Reserve Per Depreciation Study

Acct. No. (a)	Account Description (b)	Depreciation Reserve Per Books 12-31-08 (c)	Pending Adjustment (d)	Pending Retirements (e)	Depreciation Reserve Per Depr. Study 12-31-08 (f)
	TOTAL Distribution Plant	224,006,277.24	0.00	0.00	224,284,764.64
	General Plant				
390.00	STRUCTURES & IMPROVEMENTS	169,292.39			169,292.39
	TOTAL STRUCT. & IMPROV.	169,292.39	0.00	0.00	169,292.39
	TOTAL General Plant	169,292.39	0.00	0.00	169,292.39
	TOTAL GAS Depreciable Plant	224,267,367.58	0.00	0.00	224,545,874.98
	GAS AMORTIZABLE ACCOUNTS				
301.00	ORGANIZATION	382.91			382.91
302.00	FRANCHISES & CONSENTS	921.12			921.12
303.00	INTANGIBLES	224,415.57			224,415.57
	TOTAL GAS Amortizable Accounts	225,719.60	0.00	0.00	225,719.60
	Gas Vintage Year Accounting				
394.00	TOOLS, SHOP, AND GARAGE EQUIPMENT	1,577,865.72			1,577,865.72
	TOTAL GAS Vintage Year Accounting	1,577,865.72	0.00	0.00	1,577,865.72
	GAS NON-DEPRECIABLE PLANT				
374.10	LAND & LAND RIGHTS	0.00			0.00
389.00	LAND & LAND RIGHTS	0.00			0.00
	TOTAL GAS Non-Depreciable Plant	0.00	0.00	0.00	0.00
	TOTAL GAS Utility Plant in Service	226,070,952.90	0.00	0.00	226,349,460.30
	COMMON DEPRECIABLE PLANT				
390.00	STRUCTURES & IMPROVEMENTS	7,666,700.77	(63,550.96)		7,603,149.81
392.00	TRANSPORTATION EQUIPMENT	13,931,731.39			13,931,731.39
396.00	POWER OPERATED EQUIPMENT	1,841,406.78			1,841,406.78
	TOTAL COMMON Depreciable Plant	23,439,838.94	-63,550.96	0.00	23,376,287.98
	COMMON AMORTIZABLE ACCOUNTS				
303.00	INTANGIBLES	46,698,977.95			46,698,977.95
390.10-.50	STRUCTURES & IMPROVEMENTS	5,308,755.21	63,550.96		5,372,306.17
	TOTAL COMMON Amortizable Accounts	52,007,733.16	63,550.96	0.00	52,071,284.12
	COMMON Vintage Year Accounting				
391.00	OFFICE FURNITURE AND EQUIPMENT	16,433,500.14			16,433,500.14
393.00	STORES EQUIPMENT	356,595.51			356,595.51
394.00	TOOLS, SHOP, AND GARAGE EQUIPMENT	4,157,885.42			4,157,885.42
395.00	LABORATORY EQUIPMENT	1,249,990.17			1,249,990.17
397.00	COMMUNICATION EQUIPMENT	6,012,388.32			6,012,388.32
398.00	MISCELLANEOUS EQUIPMENT	1,241,564.72			1,241,564.72
	TOTAL COMMON Vintage Year Accounting	29,451,924.28	0.00	0.00	29,451,924.28

Table 5

Rochester Gas & Electric

Gas & Common Plant

Summary of Depreciation Reserve Related to Utility Plant in Service as of December 31, 2008

Per Books,Adjustment, and Adjusted Depreciation Reserve Per Depreciation Study

Acct. No (a)	Account Description (b)	Depreciation Reserve Per Books 12-31-08 (c)	Pending Adjustment (d)	Pending Retirements (e)	Depreciation Reserve Per Depr. Study 12-31-08 (f)
	NON-DEPRECIABLE PLANT				
389.00	LAND & LAND RIGHTS	0.00			0.00
	TOTAL COMMON Non-Depreciable Plant	0.00	0.00	0.00	0.00
	TOTAL COMMON Utility Plant in Service	104,899,496.38	0.00	0.00	104,899,496.38

Rochester Gas & Electric
Gas & Common Plant
Summary of Original Cost of Utility Plant in Service as of December 31, 2008 and Present and Proposed Parameters

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Present Parameters – Net Salvage W/ COR % (d)	Gross Salv % (e)	Gross COR % (f)	Survivor Curve (g)	Current Depr Rate (h)	Comp. Rate	Proposed Parameters – Net Salvage W/ COR % (i)	Gross Salv % (j)	Gross COR % (k)	Implied ASL (Yrs) (l)	Life Span (Yrs) (m)	A.S.L./ Survivor Curve (n)	
	DEPRECIABLE PLANT														
	Production Equipment														
325.20	PRODUCTION LEASEHOLDS	12,117.79	0%	0%	0%	0	0.00%		0%	0%	0%			N/A	
330.00	WELL CONSTRUCTION	2,994.94	0%	0%	0%	0	0.00%		0%	0%	0%			N/A	
331.00	WELL EQUIPMENT	4,093.38	0%	0%	0%	0	0.00%		0%	0%	0%			N/A	
332.00	FIELD LINES	48,147.54	0%	0%	0%	0	0.00%		0%	0%	0%			N/A	
335.05	DRILLING & CLEANING EQUIPMENT	3,507.80	0%	0%	0%	0	0.00%		0%	0%	0%			N/A	
	TOTAL Production Equipment	70,861.45													
	Distribution Plant														
374.20	LAND RIGHTS	7,220,629.71	0%	0%	0%	75	1.33%		0%	0%	0%			75-SQ	
375.00	STRUCTURES & IMPROVEMENTS	389,235.60	-10%		-10%	40	2.75%		-15%	0%	-15%	41.2	40	80-L1	(1)
376.10	MAINS - STEEL	193,983,377.21	-65%	0%	-65%	80	2.06%		-70%	0%	-70%			67-R2.5	
376.20	MAINS - PLASTIC	124,509,010.40	-65%	0%	-65%	80	2.06%		-70%	0%	-70%			60-R4	
376.30	MAINS - CAST IRON	842,060.13	-120%	0%	-120%	4	0.00%		-100%	0%	-100%			62-L5	
376.40	MAINS - VALVE GT 4 INCH	346,838.40	-65%	0%	-65%	80	2.06%		-100%	0%	-100%			50-R3	
	TOTAL Account 376	319,681,288.14													
378.10	MEAS. AND REG. STATION EQUIP - INSIDE	10,124,798.46	-15%	0%	-15%	50	2.30%		-15%	0%	-15%			35-L2	
378.11	MEAS. AND REG. STAT EQ - OUTSIDE	7,849,678.54	-25%	0%	-25%	50	2.50%		-20%	0%	-20%			22-L1.5	
	TOTAL Account 378	17,974,477.00													
380.10	SERVICES - STEEL	39,065,997.26	-15%	0%	-15%	44	2.61%		-25%	0%	-25%			35-R0.5	
380.20	SERVICES - PLASTIC	160,450,403.00	-15%	0%	-15%	44	2.61%		-30%	0%	-30%			44-L3	
	TOTAL Account 380	199,516,400.26													
381.00	METERS	20,771,792.17	0%	0%	0% (1)	33	3.03%		-6%	0%	-6%			26-R1.5	
382.00	METER INSTALLATIONS	27,294,452.86	0%	0%	0%	30	3.33%		0%	0%	0%			38-L4	
383.10	HOUSE REGULATORS	4,955,179.35	-75%	0%	-75%	30	5.83%		-75%	0%	-75%			37-S6	
383.20	SPECIAL REGULATORS ON CUST. PREMISES	24,613.03	-25%	0%	-25%	40	3.13%		-75%	0%	-75%			37-S6	
	TOTAL Account 383	4,979,792.38													
384.10	HOUSE REGULATOR INSTALLATIONS	9,742,097.92	0%	0%	0%	35	2.86%		0%	0%	0%			37-S6	
384.20	SPECIAL REG. INSTALL. ON CUST. PREMISES	642,092.73	0%	0%	0%	50	2.00%		0%	0%	0%			37-S6	

Rochester Gas & Electric

Gas & Common Plant

Summary of Original Cost of Utility Plant in Service as of December 31, 2008 and Present and Proposed Parameters

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Present Parameters: Net Salvage W/ COR % (d)	Present: Net Salvage Gross Salv % (e)	Present: Net Salvage Gross COR % (f)	Present: Survivor Curve (g)	Present: Current Depr Rate (h)	Comp Rate	Proposed Parameters: Net Salvage W/ COR % (i)	Proposed: Net Salvage Gross Salv % (j)	Proposed: Net Salvage Gross COR % (k)	Proposed: Implicit ASL (Yrs) (l)	Proposed: Life Span (Yrs) (m)	Proposed: A.S.L./ Survivor Curve (n)
	TOTAL Account 384	10,384,190.65												
387 00	OTHER EQUIPMENT	16,540.79	0%	0%	0%	N/A	0.00%		0%	0%	0%			35-R3
387 10	TRANSPORTATION MONITORING EQUIP	987,338.48	0%	0%	0%	20	5.00%		0%	0%	0%			20-R2
	TOTAL Account 387	1,003,879.27												
	TOTAL Distribution Plant	609,216,136.24						2.44%						
	General Plant													
390 00	STRUCTURES & IMPROVEMENTS	369,964.69	-10%	0%	-10%	50	2.20%		-10%	0%	-10%			35-L1.5
	TOTAL STRUCT. & IMPROV.	369,964.89												
	TOTAL General Plant	369,964.89						3.83%						
	TOTAL GAS Depreciable Plant	609,650,982.58						2.45%						
	GAS AMORTIZABLE ACCOUNTS													
301.00	ORGANIZATION	382.91												
302.00	FRANCHISES & CONSENTS	921.12												
303 00	INTANGIBLES	906,436.54												
	TOTAL GAS Amortizable Accounts	907,740.57												
	Gas Vintage Year Accounting													
394 00	TOOLS, SHOP, AND GARAGE EQUIPMENT	3,260,371.38												
	TOTAL GAS Vintage Year Accounting	3,260,371.38												
	GAS NON-DEPRECIABLE PLANT													
374.10	LAND & LAND RIGHTS	223,980.61												
389 00	LAND & LAND RIGHTS	9,376.87												
	TOTAL GAS Non-Depreciable Plant	233,357.48												
	TOTAL GAS Utility Plant in Service	614,058,431.99												

Table 6

Rochester Gas & Electric
Gas & Common Plant
Summary of Original Cost of Utility Plant in Service as of December 31, 2008 and Present and Proposed Parameters

			Present Parameters							Proposed Parameters					
		Original	Net Salvage				Current		Net Salvage			Implicit	Life	A.S.L /
Account No.	Description	Cost 12/31/08	W/COR %	Gross Salv %	Gross COR %	Survivor Curve	Depr Rate	Comp. Rate	W/COR %	Gross Salv %	Gross COR %	ASL (Yrs)	Span (Yrs)	Survivor Curve
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		(i)	(j)	(k)	(l)	(m)	(n)
	COMMON DEPRECIABLE PLANT													
390.00	STRUCTURES & IMPROVEMENTS	26,885,967.45	-10%	0%	-10%	50	2.20%		-10%	0%	-10%			35-L1.5
392.00	TRANSPORTATION EQUIPMENT	29,312,656.20	10%	10%	0%	8	10.84%		8%	8%	0%			8.9
396.00	POWER OPERATED EQUIPMENT	5,845,014.34	10%	10%	0%	10	5.28%		16%	16%	0%			13.7
	TOTAL COMMON Depreciable Plant	62,043,537.99												
	COMMON AMORTIZABLE ACCOUNTS													
303.00	INTANGIBLES	83,970,698.30												
390.10-50	STRUCTURES & IMPROVEMENTS	13,534,231.55												
	TOTAL COMMON Amortizable Accounts	97,504,929.85												
	COMMON Vintage Year Accounting													
391.00	OFFICE FURNITURE AND EQUIPMENT	24,832,325.94												
393.00	STORES EQUIPMENT	517,425.57												
394.00	TOOLS, SHOP, AND GARAGE EQUIPMENT	7,335,653.91												
395.00	LABORATORY EQUIPMENT	2,111,423.90												
397.00	COMMUNICATION EQUIPMENT	12,791,817.30												
398.00	MISCELLANEOUS EQUIPMENT	2,710,259.36												
	TOTAL COMMON Vintage Year Accounting	50,298,905.98												
	NON-DEPRECIABLE PLANT													
389.00	LAND & LAND RIGHTS	2,408,610.10												
	TOTAL COMMON Non-Depreciable Plant	2,408,610.10												
	TOTAL COMMON Utility Plant in Service	212,255,983.92												

(1) Interim Retirement Rate. Life Span Method Utilized. Service Lives Vary

Table 7

Rochester Gas & Electric
Account 382 - Meter Installations

Amortization of Embedded Unrecovered Net Plant As of December 31, 2008

ASL/Curve: 38 - SQ
Broad Group Procedure

Generation Arrangement

Vintage	December 31, 2008 Age	Surviving Plant	Average Serv Life	Avg Rem. Life	Net Plant Ratio	Theoretical Reserve	Allocated Book Reserve	Computed Net Plant	Annual Accrual
2008	0.5	0.00	38.00	37.50	0.98684	0.00	0.00	0.00	0
2007	1.5	1,377,620.29	38.00	36.50	0.96053	54,379.75	53,499.64	1,324,120.65	36,277
2006	2.5	746,626.14	38.00	35.50	0.93421	49,120.14	48,325.16	698,300.98	19,670
2005	3.5	703,249.69	38.00	34.50	0.90789	64,773.00	63,724.68	639,525.01	18,537
2004	4.5	1,028,705.52	38.00	33.50	0.88158	121,820.39	119,848.79	908,856.73	27,130
2003	5.5	1,597,500.07	38.00	32.50	0.85526	231,217.12	227,474.98	1,370,025.09	42,155
2002	6.5	0.00	38.00	31.50	0.82895	0.00	0.00	0.00	0
2001	7.5	183,525.60	38.00	30.50	0.80263	36,222.16	35,635.92	147,889.68	4,849
2000	8.5	1,796,046.80	38.00	29.50	0.77632	401,747.31	395,245.23	1,400,801.57	47,485
1999	9.5	1,817,967.17	38.00	28.50	0.75000	454,491.79	447,136.07	1,370,831.10	48,099
1998	10.5	1,366,743.12	38.00	27.50	0.72368	377,652.70	371,540.58	995,202.54	36,189
1997	11.5	1,262,898.64	38.00	26.50	0.69737	382,193.01	376,007.41	886,891.23	33,468
1996	12.5	637,798.38	38.00	25.50	0.67105	209,802.10	206,406.56	431,391.82	16,917
1995	13.5	1,131,706.77	38.00	24.50	0.64474	402,053.72	395,546.68	736,160.09	30,047
1994	14.5	767,629.61	38.00	23.50	0.61842	292,911.30	288,170.67	479,458.94	20,403
1993	15.5	1,176,713.17	38.00	22.50	0.59211	479,975.11	472,206.95	704,506.22	31,311
1992	16.5	1,126,311.57	38.00	21.50	0.56579	489,056.34	481,141.21	645,170.36	30,008
1991	17.5	849,815.49	38.00	20.50	0.53947	391,362.40	385,028.39	464,787.10	22,673
1990	18.5	986,009.48	38.00	19.50	0.51316	480,030.93	472,261.87	513,747.61	26,346
1989	19.5	1,150,944.20	38.00	18.50	0.48684	590,616.10	581,057.27	569,886.93	30,805
1988	20.5	1,074,329.34	38.00	17.50	0.46053	579,572.41	570,192.32	504,137.02	28,808
1987	21.5	811,082.22	38.00	16.50	0.43421	458,901.78	451,474.69	359,607.53	21,794
1986	22.5	654,327.36	38.00	15.50	0.40789	387,430.67	381,160.30	273,167.06	17,624
1985	23.5	682,302.75	38.00	14.50	0.38158	421,950.38	415,121.33	267,181.42	18,426
1984	24.5	454,087.30	38.00	13.50	0.35526	292,766.81	288,028.53	166,058.77	12,301
1983	25.5	415,779.38	38.00	12.50	0.32895	279,009.85	274,494.21	141,285.17	11,303
1982	25.5	560,215.71	38.00	12.50	0.32895	375,934.23	369,849.92	190,365.79	15,229
1981	26.5	460,539.02	38.00	11.50	0.30263	321,165.37	315,967.47	144,571.55	12,571
1980	27.5	538,246.77	38.00	10.50	0.27632	389,520.69	383,216.49	155,030.28	14,765
1979	28.5	467,939.83	38.00	9.50	0.25000	350,954.87	345,274.84	122,664.99	12,912
1978	29.5	167,000.57	38.00	8.50	0.22368	129,645.18	127,546.94	39,453.63	4,642
1977	30.5	0.00	38.00	7.50	0.19737	0.00	0.00	0.00	0
1976	31.5	0.00	38.00	6.50	0.17105	0.00	0.00	0.00	0
1975	32.5	149,919.22	38.00	5.50	0.14474	128,220.39	126,145.20	23,774.02	4,323
1974	33.5	264,048.47	38.00	4.50	0.11842	232,779.57	229,012.15	35,036.32	7,786
1973	34.5	272,156.51	38.00	3.50	0.09211	247,089.46	243,090.44	29,066.07	8,305
1972	22.5	259,230.38	38.00	15.50	0.40789	153,491.67	105,738.71	259,230.38	0.00
1971	23.5	249,847.68	38.00	14.50	0.38158	154,511.07	95,336.61	249,847.68	0.00
1970	24.5	105,588.64	38.00	13.50	0.35526	65,076.89	37,511.75	105,588.64	0.00
1969	25.5	0	38.00	12.50	0.32895	0.00	0.00	0.00	0.00
Total		27,294,452.86		24.33		10,480,446.65	10,310,825.83	17,353,619.99	713,156.74

Table 8

Rochester Gas & Electric
Account 384 - House Regulator Installations

Amortization of Embedded Unrecovered Net Plant As of December 31, 2008

ASL/Curve: 37 - SQ
Broad Group Procedure

Generation Arrangement

	December 31, 2008								
Vintage	Age	Surviving Plant	Average Serv Life	Avg Rem. Life	Net Plant Ratio	Theoretical Reserve	Allocated Book Reserve	Computed Net Plant	Annual Accrual
2008	0.5	0.00	37.00	36.50	0.98649	0.00	0.00	0.00	0
2007	1.5	275,629.25	37.00	35.50	0.95946	11,174.16	3,327.98	272,301.27	7,670
2006	2.5	0.00	37.00	34.50	0.93243	0.00	0.00	0.00	0
2005	3.5	0.00	37.00	33.50	0.90541	0.00	0.00	0.00	0
2004	4.5	936,348.99	37.00	32.50	0.87838	113,860.28	33,916.72	902,432.27	27,767
2003	5.5	3,081,061.47	37.00	31.50	0.85135	457,995.62	136,403.84	2,944,657.63	93,481
2002	6.5	0.00	37.00	30.50	0.82432	0.00	0.00	0.00	0
2001	7.5	0.00	37.00	29.50	0.79730	0.00	0.00	0.00	0
2000	8.5	496,797.32	37.00	28.50	0.77027	114,129.11	33,990.83	462,806.49	16,239
1999	9.5	174,954.61	37.00	27.50	0.74324	44,920.78	13,378.66	161,575.95	5,875
1998	10.5	174,560.71	37.00	26.50	0.71622	49,537.50	14,753.65	159,807.06	6,030
1997	11.5	134,388.77	37.00	25.50	0.68919	41,769.48	12,440.11	121,948.66	4,782
1996	12.5	103,423.09	37.00	24.50	0.66216	34,940.23	10,406.17	93,016.92	3,797
1995	13.5	139,157.23	37.00	23.50	0.63514	50,773.58	15,121.79	124,035.44	5,278
1994	14.5	99,717.87	37.00	22.50	0.60811	39,078.62	11,638.70	88,079.17	3,915
1993	15.5	272,189.86	37.00	21.50	0.58108	114,025.48	33,959.96	238,229.90	11,080
1992	16.5	188,629.43	37.00	20.50	0.55405	84,118.53	25,052.84	163,576.59	7,979
1991	17.5	175,854.25	37.00	19.50	0.52703	83,174.31	24,771.62	151,082.63	7,748
1990	18.5	207,592.59	37.00	18.50	0.50000	103,796.30	30,913.42	176,679.17	9,550
1989	19.5	221,639.29	37.00	17.50	0.47297	116,809.90	34,789.24	186,850.05	10,677
1988	20.5	161,589.20	37.00	16.50	0.44595	89,529.15	26,664.27	134,924.93	8,177
1987	21.5	144,240.22	37.00	15.50	0.41892	83,815.26	24,962.52	119,277.70	7,695
1986	22.5	179,079.82	37.00	14.50	0.39189	108,899.89	32,433.42	146,646.40	10,114
1985	23.5	218,375.08	37.00	13.50	0.36486	138,697.69	41,308.03	177,067.05	13,116
1984	24.5	169,445.87	37.00	12.50	0.33784	112,200.64	33,416.47	136,029.40	10,882
1983	25.5	181,296.63	37.00	11.50	0.31081	124,947.68	37,212.90	144,083.73	12,529
1982	26.5	171898.47	37.00	10.50	0.28378	123,116.47	36,667.51	135,230.96	12,879
1981	27.5	199,338.26	37.00	9.50	0.25676	148,156.81	44,125.22	155,213.04	16,338
1980	28.5	236,146.56	37.00	8.50	0.22973	181,896.67	54,173.89	181,972.67	21,409
1979	29.5	196,293.90	37.00	7.50	0.20270	156,504.60	46,611.42	149,682.48	19,958
1978	30.5	160,162.71	37.00	6.50	0.17568	132,026.02	39,321.02	120,841.69	18,591
1977	31.5	68,411.02	37.00	5.50	0.14865	58,241.81	17,346.03	51,064.99	9,285
1976	32.5	61,836.91	37.00	4.50	0.12162	54,316.20	16,176.88	45,660.03	10,147
1975	33.5	80,287.23	37.00	3.50	0.09459	72,692.49	21,649.85	58,637.38	16,754
1974	34.5	116,429.09	37.00	2.50	0.06757	108,562.26	32,332.86	84,096.23	33,638
1973	35.5	160,236.62	37.00	1.50	0.04054	153,740.54	45,768.21	114,448.41	76,299
1972	36.5	179,509.09	37.00	0.50	0.01351	177,083.29	52,740.33	126,768.76	253,538
Total		9,366,521.41		10.77		3,484,551.38	1,037,796.36	8,325,725.05	773,218.11
					Check Total		1,037,796.36		

Table 8

Rochester Gas & Electric
Account 384 - House Regulator Installations

Amortization of Embedded Unrecovered Net Plant As of December 31, 2008

ASL/Curve. 37 - SQ
Broad Group Procedure

Generation Arrangement

Vintage	Age	December 31, 2008 Surviving Plant	Average Serv Life	Avg Rem Life	Net Plant Ratio	Theoretical Reserve	Allocated Book Reserve	Computed Net Plant	Annual Accrual
						Theoretical Reserve	Add'l Book Resr	Fully Reserved	Net Plant
1971	37.5	245,262.02	37.00				245,262.02	245,262.02	0.00
1970	28.5	194,281.92	37.00				194,281.92	194,281.92	0.00
1969	29.5	185,446.62	37.00				185,446.62	185,446.62	0.00
1968	30.5	66,331.25	37.00				66,331.25	66,331.25	0.00
1967	31.5	98,577.52	37.00				98,577.52	98,577.52	0.00
1966	32.5	58,693.11	37.00				58,693.11	58,693.11	0.00
1965	33.5	18,804.63	37.00				18,804 63	18,804.63	0.00
1964	34.5	17,640.78	37.00				17,640.78	17,640.78	0.00
1963	35.5	38,631.02	37.00				38,631.02	38,631.02	0.00
1962	36.5	25,849.36	37.00				25,849.36	25,849.36	0.00
1961	37.5	68,151.01	37.00				68,151.01	68,151.01	0.00
Total		1,017,669.24				0.00	1,017,669.24	1,017,669.24	0.00
						3,484,551.38			
Grand Total		10,384,190.65				Total Book Reserve	2,055,465.60	1,017,669.24	1,037,796.36

SECTION 3

ROCHESTER GAS & ELECTRIC CORPORATION

Gas and Common Plant

General

This report sets forth the results of our study of the depreciable property of Rochester Gas & Electric Corporation-Gas and Common (RGE or the Company) as of December 31, 2008 and contains the basic parameters (recommended average service lives and life characteristics) for the proposed average whole life depreciation rates. All average service lives set forth in this report are developed based upon plant in service as of December 31, 2008.

The scope of the study included an analysis of RGE's historical data through December 31, 2008, discussions with Company management and staff to identify prior and prospective factors affecting the Company's plant in service, as well as interpretation of past service life data experience and future life expectancies to determine the appropriate average service lives of the Company's surviving plant. The service lives and life characteristics resulting from the in-depth study were utilized together with the Company's plant in service and book depreciation reserve to determine the recommended Average Whole Life depreciation rates related to the Company's plant in service as of December 31, 2008.

In preparing the study, the Company's historical investment data were studied using various service life analysis techniques. Further, discussions were held with the RGE's management to obtain an overview of the Company's facilities and to discuss the general scope of operations together with other factors which could have a bearing on the service lives of the Company's property.

The Company maintains property records containing a summary of its fixed capital investments by property account. This investment data was analyzed and summarized by property group and/or sub group and vintage then utilized as a basis for the various depreciation calculations.

Depreciation Study Overview

There are numerous methods utilized to recover property investment depending upon the goal. For example, accelerated methods such as double declining balance and sum of years digits are methods used in tax accounting to motivate additional investments. Broad Group (BG) and Equal Life Group (ELG) are both Straight Line Grouping Procedures recognized and utilized by various regulatory jurisdictions depending upon the policy of the specific agency.

The Straight Line Group Method of depreciation utilized in this study to develop the recommended depreciation rates is the Broad Group Procedure together with the Whole Life Technique.

While I prefer the Average Remaining Life Technique (because it considers all factors in developing the applicable depreciation rates) the NY Commission and its staff have indicated that the Whole Life depreciation Technique should be used to develop depreciation rates other than for Electric generating facilities.

The distinction between the Whole Life and Remaining Life Techniques is that under the Whole Life Technique, the depreciation rate is based on the recovery of the investment and average net salvage over the average service life of the property group. In comparison, under the Average Remaining Life Technique, the resulting annual depreciation rate incorporates the recovery of the investment (and future net salvage) less any recovery experienced to date over the average remaining life of the property group.

That is, the Average Remaining Life technique is based upon recovering the net book cost (original cost less book reserve) of the surviving plant in service over its estimated remaining useful life. Any variance between the book reserve and an implied theoretical calculated reserve is compensated for under this procedure. As the Company's book reserve increases above or declines below the theoretical reserve at a specific point in time, the Company's average remaining life depreciation rate in subsequent years will be increased or decreased to compensate for the variance, thereby, assuring full recovery of the Company's investment by the end of the property's life.

The Company, like any other business, includes as an annual operating expense an amount which reflects a portion of the capital investment which was consumed in providing service during the accounting period. The annual depreciation amount to be recognized is based upon the remaining productive life over which the undepreciated capital investment needs to be recovered. The determination of the productive remaining life for each property group usually includes an in-depth study of past experience in addition to estimates of future expectations.

Annual Depreciation Accrual

Through the utilization of the Average Remaining Life Technique, the Company will recover the undepreciated fixed capital investment in the appropriate amounts as annual depreciation expense in each year throughout the remaining life of the property. The procedure incorporates the future life expectancy of the property, the vintaged surviving plant in service, and estimated net salvage, together with the book depreciation reserve balance to develop the annual depreciation rate for each property account. Accordingly, the ARL technique meets the objective of providing a straight line recovery of the undepreciated fixed capital property investment.

The use of the Average Remaining Life Technique results in charging the appropriate annual depreciation amounts over the remaining life of the property to insure full recovery by the end of the life of the property. The annual expense is calculated on a Straight Line Method rather than by the previously mentioned, "sum of the years digits" or "double declining balance" methods, etc. The "group" refers to the method of calculating annual depreciation on the summation of the investment in any one depreciable group or plant account rather than calculating depreciation for each individual unit.

Under Broad Group Depreciation some units may be over depreciated and other units may be under depreciated at the time when they are retired from service, but overall, the account is fully depreciated when average service life is attained. By comparison, Equal Life Group depreciation rates are designed to fully accrue the cost of the asset group by the time of retirement. For both the Broad Group and Equal Life Group Procedures the full cost of the investment is credited to plant in service when the retirement occurs and likewise the depreciation reserve is debited with an equal retirement cost. No gain or loss is recognized at the time of property retirement because of the assumption that the retired property was at average service life.

Group Depreciation Procedures

Group depreciation procedures are utilized to depreciate property when more than one item of property is being depreciated. Such a procedure is appropriate because all of the items within a specific group typically do not have identical service lives, but have lives which are dispersed over a range of time. Utilizing a group depreciation procedure allows for a condensed application of depreciation rates to groups of similar property in lieu of extensive depreciation calculations on an item by item basis. The two more common group depreciation procedures are the Broad Group (BG) and Equal Life Group (ELG) approach.

In developing depreciation rates using the Broad Group procedure, the annual depreciation rate is based on the average life of the overall property group, which is then applied to the group's surviving original cost investment. A characteristic of this procedure is that retirements of individual units occurring prior to average service life will be under depreciated, while individual units retired after average service life will be over depreciated when removed from service, but overall, the group investment will achieve full recovery by the end of the life of the total property group. That is, the under recovery occurring early in the life of the account is balanced by the over recovery occurring subsequent to average service life. In summary, the cost of the investment is complete at the end of the property's life cycle, but the rate of recovery does not match the consumption pattern which was used to provide service to the company's customers.

Under the average service life procedure, the annual depreciation rate is calculated by the following formula:

$$\text{Annual Accrual Rate, Percent} = \frac{100\% - \text{Salvage}}{\text{Average Service Life}} \times 100$$

The application of the broad group procedure to life span groups results in each vintage investment having a different average service life. This circumstance exists because the concurrent retirement of all vintages at the anticipated retirement year results in truncating and, therefore, restricting the life of each successive years vintage investment. An average service life is calculated for each vintage investment in accordance with the above formula. Subsequently, a composite service life and depreciation rate is calculated relative to all vintages within the property group by weighting the life for each vintage by the related surviving vintage investment within the group.

In the Equal Life Group, the property group is subdivided, through the use of plant life tables, into equal life groups. In each equal life group, portions of the overall property group includes that portion which experiences the life of the specific sub-group. The relative size of each sub-group is determined from the overall group life characteristic (property dispersion curve). This procedure both overcomes the disadvantage of voluminous record requirements of unit depreciation, as well as eliminates the need to base depreciation on overall lives as required under the broad group procedure. The application of this procedure results in each sub-group of the property having a single life. In this procedure, the full cost of short lived units is accrued during their lives leaving no under accruals to be recovered by over accruals on long lived plant. The annual depreciation for the group is the summation of the depreciation accruals based on the service life of each Equal Life Group.

The ELG Procedure is viewed as being the more definitive procedure for identifying the life characteristics of utility property and as a basis for developing service lives and depreciation rates, nevertheless, the Broad Group procedure is more widely utilized throughout the utiity industry by regulatory commissions as a basis for depreciation rates. That is, the ELG Procedure is more definitive because it allocates the capital cost of a group property to annual expense in accordance with the consumption of the property group providing service to customers. In this regard, the company's customers are more appropriately charged with the cost of the property consumed in providing them service during the applicable service period. The more timely return of plant cost is accomplished by fully accruing each unit's cost during its service life, thereby not only reducing the risk of incomplete cost recovery, but also resulting in less return on rate base over the life of a depreciable group. The total depreciation expense over the life of the property is the same for all procedures which allocate the full capital cost to expense, but at any specific point in time, the depreciated original cost is less under the ELG procedure than under the BG procedure. This circumstance exists because under the equal life group procedure, the rate base is not maintained at a level of greater than the future service value of the surviving plant as is the case when using the average service life procedure. Consequently, the total return required from the ratepayers is less under the ELG procedure.

While the Equal Life Group procedure has been known to depreciation experts for many years, widespread interest in applying the procedure developed only after high speed electronic computers became available to perform the large volume of arithmetic computations required in developing ELG based depreciation lives and rates. The table on the following page illustrates the procedure for calculating equal life group depreciation accrual rates and summarizes the results of the underlying calculations. Depreciation rates are determined for each age interval (one year increment) during the life of a group of property which was installed in a given year or vintage group. The age of the vintage group is shown in column (A) of the ELG table. The percent surviving at the beginning of each age interval is determined from the Iowa 10-R3 survivor curve which is set forth in column

(B). The percent retired during each age interval, as shown in column (C), is the difference between the percent surviving at successive age intervals. Accordingly, the percentage amount of the vintage group retired defines the size of each equal life group. For example, during the interval 3 1/2 to 4 1/2, 1.93690 percent of the vintage group is retired at an average age of four years. In this case, the 1.93690 percent of the group experiences an equal life of four years. Likewise, 3.00339 percent is retired during the interval 4 1/2 to 5 1/2 and experiences a service life of five years. Furthermore, 4.42969 percent experiences a six-year life; etc. Calculations are made for each age interval from the zero age interval through the end of the life of the vintage group. The average service life for each age interval's equal life group is shown in column (E) of the table.

The amount to be accrued annually for each equal life group is equal to the percentage retired in the equal life group divided by its service life. In as much as additions retirements are assumed, for calculation purposes, to occur at midyear only one-half of the equal life group's annual accrual is allocated to expense during its first and last years of service life. The accrual amount for the property retired during age interval 0 to .5 must be equal to the amount retired to insure full recovery of that component during that period. The accruals for each equal life group during the age intervals of the vintage group's life cycle are shown in column (F). The total accrual for a given year is the summation of the equal life group accruals for that year. For example, the total accrual for the second year, as shown in column (G), is 11.31019 percent and is the sum of all succeeding years remaining equal life group accruals plus one half of the current years life group accrual listed in column (F). For the zero age interval year, the total accrual is equal to one half of the sum of all succeeding years remaining equal life accruals plus the amount for the zero interval equal life group accrual. The one half year accrual for the zero age interval

XYZ UTILITY COMPANY
CALCULATION OF ASL, ARL AND ACCRUED DEPRECIATION FACTORS
BASED UPON AN NEW YORK STATE (KIMBALL) h3.00 CURVE USING THE EQUAL LIFE GROUP (ELG) PROCEDURE

Table 9

							EQUAL LIFE GROUP PROCEDURE			
AGE AT BEGIN OF INTERVAL	LIFE TABLE BEGIN OF INTERVAL	RETIREMENT DURING INTERVAL	AVERAGE SURVIVING	AGE OF AMOUNT RETIRED	AMOUNT FOR EACH LIFE GROUP	AMOUNT FOR REMAINING LIFE GROUPS	AVERAGE SERVICE LIFE	AVERAGE REMAINING LIFE	ELG/ARL DEPR RATE	ACCRUED DEPR RES FACTOR
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
0.0	1.0000000	0.0006400	0.9996800	0.25	0.0006400	0.0587873	8.50	8.50	11.76	0.0000000
0.5	0.9993600	0.0029600	0.9978800	1.0	0.0029600	0.1148146	8.69	8.19	11.51	0.0575293
1.5	0.9964000	0.0064000	0.9932000	2.0	0.0032000	0.1117346	8.89	7.39	11.25	0.1687494
2.5	0.9900000	0.0126200	0.9836900	3.0	0.0042067	0.1080313	9.11	6.61	10.98	0.2745562
3.5	0.9773800	0.0227600	0.9660000	4.0	0.0056900	0.1030830	9.37	5.87	10.67	0.3734890
4.5	0.9546200	0.0375500	0.9358450	5.0	0.0075100	0.0964830	9.70	5.20	10.31	0.4639372
5.5	0.9170700	0.0566100	0.8887650	6.0	0.0094350	0.0880105	10.10	4.60	9.90	0.5446406
6.5	0.8604600	0.0780600	0.8214300	7.0	0.0111514	0.0777172	10.57	4.07	9.46	0.6149789
7.5	0.7824000	0.0984200	0.7331900	8.0	0.0123025	0.0659903	11.11	3.61	9.00	0.6750325
8.5	0.6839800	0.1134200	0.6272700	9.0	0.0126022	0.0535379	11.72	3.22	8.54	0.7254808
9.5	0.5705600	0.1195400	0.5107900	10.0	0.0119540	0.0412598	12.38	2.88	8.08	0.7673764
10.5	0.4510200	0.1151700	0.3934350	11.0	0.0104700	0.0300478	13.09	2.59	7.64	0.8019165
11.5	0.3358500	0.1014600	0.2851200	12.0	0.0084550	0.0205853	13.85	2.35	7.22	0.8302857
12.5	0.2343900	0.0817300	0.1935250	13.0	0.0062869	0.0132143	14.65	2.15	6.83	0.8535298
13.5	0.1526600	0.0601800	0.1225700	14.0	0.0042986	0.0079216	15.47	1.97	6.46	0.8724942
14.5	0.0924800	0.0405200	0.0722200	15.0	0.0027013	0.0044216	16.33	1.83	6.12	0.8877583
15.5	0.0519600	0.0249500	0.0394850	16.0	0.0015594	0.0022913	17.23	1.73	5.80	0.8994571
16.5	0.0270100	0.0140400	0.0199900	17.0	0.0008259	0.0010987	18.19	1.69	5.50	0.9068526
17.5	0.0129700	0.0072300	0.0093550	18.0	0.0004017	0.0004849	19.29	1.79	5.18	0.9070652
18.5	0.0057400	0.0000000	0.0057400	19.0	0.0000000	0.0002841	20.21	1.71	4.95	0.9155172
19.5	0.0057400	0.0048600	0.0033100	20.0	0.0002430	0.0001626	20.36	0.86	4.91	0.9576667
20.5	0.0008800	0.0005800	0.0005900	21.0	0.0000276	0.0000272	21.65	1.15	4.62	0.9467615
21.5	0.0003000	0.0002000	0.0002000	22.0	0.0000091	0.0000089	22.49	0.99	4.45	0.9560277
22.5	0.0001000	0.0001000	0.0000500	23.0	0.0000043	0.0000022	23.00	0.50	4.35	0.9782609
23.5	0.0000000	0.0000000	0.0000000	24.0	0.0000000	0.0000000				
		1.0000000				1.0000000				

is consistent with the half year convention relative to property during its installation year.

The sum of the annual accruals for each age interval contained in column (G) total to 1.000 demonstrating that the developed rates will recover 100% of plant no more and no less. The annual accrual rate which will result in the accrual amount is the ratio of the accrual amount (11.31019 percent) to the average percent surviving during the interval, column (D), (99.74145 percent), which is a rate of 11.34% (column J). Column (J) contains a summary of the accrual rates for each age interval of the property groups life cycle based upon an Iowa 10-R3 survivor curve.

Remaining Life Technique

As previously noted, while I prefer the Average Remaining Life Technique (because it considers all factors in developing the applicable depreciation rates) the NY Commission and its staff have indicated that the Whole Life depreciation Technique should be used to develop depreciation rates other than for Electric generating facilities.

In the Average Remaining Life depreciation technique, the annual accrual is calculated according to the following formula where, (A) the annual depreciation for each group equals, (D) the depreciable cost of plant less (U) the accumulated provision for depreciation less (S) the estimated future net salvage, divided by (R) the composite remaining life of the group:

$$A = \frac{D - U - S}{R}$$

The annual accrual rate (a) is expressed as a percentage of the depreciable plant balance by dividing the equation by (D) the depreciable cost of plant times 100:

$$(a) = \frac{D - U - S}{R} \times \frac{1}{D} \times 100$$

As further indicated by the equation, the accumulated provision for depreciation by vintage is required in order to calculate the remaining life depreciation rate for each property group. In practice, most often such detail is not available; therefore, composite remaining lives are determined for each depreciable group, (i.e., property account).

The remaining life for a depreciable group is calculated by first determining the remaining life for each vintage year in which there is surviving investment. This is accomplished by solving the area under the survivor curve selected to represent the average life and life characteristic of the property account. The remaining life for each vintage is determined by dividing (D) the depreciable cost of each vintage, by (L) its average service life, and multiplying this ratio by its average remaining life (E). The composite remaining life of the group (R) equals the sums of products divided by the sum of the quotients:

$$\text{R Group} = \frac{\sum D/L \times E}{\sum D/L}$$

The functional level accumulated provision for depreciation, which was the basis for developing the composite average remaining life accrual and annual depreciation rate for each property account as per this report, was obtained from the Company's books and records. The functional level depreciation reserve was further allocated to each property account and sub-account based upon a detailed theoretical depreciation reserve calculation as of December 31, 2004.

Salvage

Net salvage is the difference between gross salvage, or what is received when an asset is disposed of, and the cost of removing it from service. Salvage experience is normally included with the depreciation rate so that current accounting periods reflect a proportional share of the ultimate abandonment and removal cost or salvage received at the end of the property service life. Net salvage is said to be positive if gross salvage exceeds the cost of removal, but if cost of removal exceeds gross salvage the result is then negative salvage.

The cost of removal includes such costs as demolishing, dismantling, tearing down, disconnecting or otherwise removing plant, as well as normal environmental clean up costs associated with the property. Salvage includes proceeds received for the sale of plant and materials or the return of equipment to stores for reuse.

Net salvage experience is studied for a period of years to determine the trends which have occurred in the past. These trends are considered together with any changes that are anticipated in the future to determine the future net salvage factor for remaining life depreciation purposes. The net salvage percentage is determined by relating the total net positive or negative salvage to the book cost of the property investment.

Many retired assets generate little, if any, positive salvage. Instead, many of the Company's asset property groups generate negative net salvage at end of their life as a result of the cost of removal (retirement).

The method used to estimate the retirement cost is a standard analysis approach which is used to identify a company's historical experience with regard to what the end of life cost will be relative to the cost of the plant when first placed into service. This information, along with knowledge about the average age of the historical retirements that have occurred to date, enables the depreciation professional to estimate the level of retirement cost that will be experienced by the Company at the end of each property group's useful life. The study methodology utilized has been extensively set forth in depreciation textbooks and has been the accepted practice by depreciation professionals for many decades. Furthermore, the cost of removal analysis approach is the current standard practice used for mass assets by essentially all depreciation professionals in estimating future net salvage for the purpose of identifying the applicable depreciation for a property group. There is a direct relationship to the installation of specific plant in service and its corresponding removal in that the installation is its beginning of life cost while the removal is its end of life cost. Also, it is important to note that average remaining life based depreciation rates incorporate future net salvage which is routinely more representative of recent versus long-term past average net salvage.

The Company's historical net salvage experience was analyzed to identify the historical net salvage factor for each applicable property group. This analysis routinely identifies that historical retirements have occurred at average ages significantly prior to the property group's average service life. This occurrence of historical retirements, at an age which is significantly younger than the average service life of the property category, clearly demonstrates that the historical data does not appropriately recognize the true level of retirement cost at the end of the property's useful life. An additional level of cost to retire will occur due to the passage of time until all the current in service plant is retired at end of life. That is, the level of retirement costs will increase over time until the average service life is attained. The estimated additional inflation, within the estimate of retirement cost, is related to those additional year's cost increases (primarily higher labor costs over time) that will occur prior to the end of the property group's average life.

To provide an additional explanation of the issue, several general principles surrounding property retirements and related net salvage need to be highlighted. Those are that as property continues to age, the retirement of assets, if generating positive salvage when retired, will typically generate a lower percent of positive salvage. By comparison, if the class of property is one that typically generates negative net salvage (cost of removal), with increasing age at retirement the negative percentage as related to original cost will typically be greater. This situation is routinely driven by the higher labor cost with the passage of time.

Next, a simple example will aid in a better understanding of the above discussed net salvage analysis and the required adjustment to the historical analysis results. Assume the following scenario. A company has two (2) cars, Car #1 and Car #2, each purchased for $20,000. Car #1 is retired after 2 years and Car #2, is retired after 10 years. Accordingly, the average life of the two cars is six (6) years (2 Yrs. Plus 10 Yrs./2). Car #1 generates 75% salvage or $15,000 when retired and Car #2 generates 5% salvage or $1,000 when retired.

Unit	Cost	Ret. Age (Yrs)	% Salv.	Salvage Amount
Car # 1	$20,000	2	75%	$15,000
Car # 2	20,000	10	5%	1,000
Total	40,000	6	40%	16,000

Assume an analysis of the experienced net salvage at year three (3). Based upon the Car #1 retirement, which was retired at a young age (2 Yrs.) as compared to the average six (6) year life of the property group, the analysis indicates that the property group would generate 75% salvage. This analysis indication is incorrect and is the result of basing the estimate on incomplete data. That is, the estimate is based upon the salvage generated from a retirement that occurred at an age which is far less than the average service life of the property group. The actual total net salvage, that occurred over the average life of the assets (which experienced a six (6) year average life for the property group) is 40% as opposed to the initial incorrect estimate of 75%.

This is exactly the situation with the majority of the Company's historical net salvage data except that most of the Company's plant property groups routinely experience negative net salvage (cost of removal) as opposed to positive salvage.

The total end of life net salvage amount must be incorporated in the development of annual depreciation rates to enable the Company to fully recover its total plant life costs. Otherwise, upon retirement of the plant, the Company will incur end of life costs without having recovered those plant related costs from the customers who benefitted from the use of the expired plant.

With regard to location type properties (e.g. generation facilities, etc.) a company will routinely experience both interim and terminal net salvage. Interim net salvage occurs in conjunction with interim retirements that occur throughout the life of the asset group. This net salvage activity (routinely and largely cost of removal) is attributable to the removal of components within the Company's facilities to enable the placement of a new asset component. Interim net salvage is routinely negative given the care required in removing the defective component so as not to damage the remaining plant in service. Interim net salvage is applicable to the estimated interim retirement assets.

The terminal net salvage component is attributable to the end of life costs incurred (less any gross salvage received) to disconnect, remove, demolish and/or dispose of the operating asset. Terminal net salvage is attributable to those assets remaining in service subsequent to the occurrence of interim retirements.

The total net salvage incorporated into the depreciation rate for location type plant account investments is the sum of interim and terminal net salvage. Both of the items must be incorporated in the development of annual depreciation rates to enable the Company to fully recover its total plant life costs. Otherwise, upon retirement of the plant, the Company will incur end of life costs without having recovered those plant related costs from the customers who benefitted from the use of the expired facility.

Service Lives

Several factors contribute to the length of time or average service life which the property achieves. The three (3) major categories under which these factors fall are: (1) physical; (2) functional, and; (3) contingent casualties.

The physical category includes such things as deterioration, wear and tear and the action of the natural elements. The functional category includes inadequacy, obsolescence and requirements of governmental authorities. Obsolescence occurs when it is no longer economically feasible to use the property to provide service to customers or when technological advances have provided a substitute of superior performance. The remaining factor of contingent casualties relates to retirements caused by accidental damage or construction activity of one type or another.

In performing the life analysis for any property being studied, both past experience and future expectations must be considered in order to fully evaluate the circumstances which may have a bearing on the remaining life of the property. This ensures the selection of an average service life which best represents the expected life of each property investment.

Survivor Curves

The preparation of a depreciation study or theoretical depreciation reserve typically incorporates smooth curves to represent the experienced or estimated survival characteristics of the property. The "smoothed" or standard survivor curves generally used are the family of curves developed at Iowa State University which are widely used and accepted throughout the utility industry.

The shape of the curves within the Iowa family are dependent upon whether the maximum rate of retirement occurs before, during or after the average service life. If the maximum retirement rate occurs earlier in life, it is a left (L) mode curve; if occurring at average life, it is a symmetrical (S) mode curve; if it occurs after average life, it is a right (R) mode curve. In addition, there is the origin (O) mode curve for plant which has heavy retirements at the beginning of life.

Many times, actual Company data has not completed its life cycle, therefore, the survivor table generated from the Company data is not extended to zero percent surviving. This situation requires an estimate be made with regard to the remaining segment of the property group's life experience. Furthermore, actual Company experience is often erratic, making its utilization for average service life estimating difficult. Accordingly, the Iowa curves are used to both extend Company experience to zero percent surviving as well as to smooth actual Company data.

<u>Study Procedures</u>

Several study procedures were used to determine the prospective service lives recommended for the Company's plant in service. These include the review and analysis of historical retirements, current and future construction, historical experience and future expectations of salvage and cost of removal as related to plant investment. Service lives are affected by many different factors, some of which can be obtained from studying plant experience, others which may rely heavily on future expectations. When physical aspects are the controlling factor in determining the service life of property, historical experience is a valuable tool in selecting service lives. In the case where changing technology or a less costly alternative develops, then historical experience is of lesser value.

While various methods are available to study historical data, the principal methods utilized to determine average service lives for a Company's property are the Retirement Rate Method, the Simulated Plant Record Method, the Life Span Method, and the

Judgement Method.

Retirement Rate Method - The Retirement Rate Method uses actual Company retirement experience to develop a survivor curve (Observed Life Table) which is used to determine the average service life being experienced in the account under study. Computer processing provides the opportunity to review various experience bands throughout the life of the account to observe trends and changes. For each experience band studied, the "observed life table" is constructed based on retirement experience within the band of years. In some cases, the total life of the account has not been achieved and the experienced life table, when plotted, results in a "stub curve." It is this "stub curve" or total life curve, if achieved, which is matched or fitted to a standard Survivor curve. The matching process is performed both by computer analysis, using a least squares technique, and by manually plotting observed life tables to which smooth curves are fitted. The fitted smooth curve provides the basis to determine the average service life of the property group under study.

Simulated Balances Method - In this method of analysis, simulated surviving balances are determined for each balance included in the test band by multiplying each proceeding year's original gross additions installed by the Company by the appropriate factor of each Standard Survivor Curve, summing the products, and comparing the results with the related year end plant balance to determine the "best fitting" curve and life within the test period. Various test bands are reviewed to determine trends or changes to indicated service lives in various bands of years. By definition, the curve with the "best fit" is the curve which produces simulated plant balances that most closely matches the actual plant balances as determined by the sum of the "least squares". The sum of the "least squares" is arrived at by starting with the difference between the simulated balances and the actual balance for a given year, squaring the difference, and the curve which produces the smallest sum (of squared difference) is judged to be the "best fit".

Period Retirements Method - The application of the Period Retirements Method is similar to the "Simulated Plant Balances" Method, except the procedure utilizes a Standard Survivor Curve and service life to simulate annual retirements instead of balances in performing the "least squares" fitting process during the test period. This procedure does tend to experience wider fluctuations due to the greater variations in level of experienced retirements versus additions and balances thereby producing greater variation in the study results.

Life Span Method - The Life Span or Forecast Method is a method utilized to study various accounts in which the expected retirement dates of specific property or locations can be reasonably estimated. In the Life Span Method, an estimated probable retirement year is determined for each location of the property group. An example of this would be a structure account, in which the various segments of the account are "life spanned" to a probable retirement date which is determined after considering a number of factors, such as management plans, industry standards, the original construction date, subsequent additions, resultant average age and the current - as well as the overall - expected service life of the property being studied. If, in the past, the property has experienced interim retirements, these are studied to determine an interim retirement rate. Otherwise, interim retirement rate parameters are estimated for properties which are anticipated to experience such retirements. The selected interim service life parameters (Iowa curve and life) are then used with the vintage investment and probable retirement year of the property to determine the average remaining life as of the study date.

Judgement Method - Standard quantitative methods such as the Retirement Rate Method, Simulated Plant Record Method, etc. are normally utilized to analyze a Company's available historical service life data. The results of the analysis together with information provided by management as well as judgement are utilized in estimating the prospective recommended average service lives. However, there are some circumstances where sufficient retirements have not occurred, or where prospective plans or guidelines are unavailable. In these circumstances, judgement alone is utilized to estimate service lives based upon service lives used by other utilities for this class of plant as well as what is considered to be a reasonable life for this plant giving consideration to the current age and use of the facilities.

SECTION 4

ROCHESTER GAS & ELECTRIC – GAS PLANT

Study Analysis & Results

ACCOUNT – 374.20 Land Rights

Historical Experience

Plant Statistics	Plant Balance = $7,220,630 Average Age of Survivors = 20.1 years Original Gross Additions = $7,220,630 Oldest Surviving Vintage = 1903 Retirements = $0, or 0% of historical additions. Average Age of Retirements = 0 years
Experience Bands	(Full depth) Estimated 75-SQ

Historic Net Salvage: (79-08) N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

The investments in this limited account are related to rights of way acquired by the Company for the purpose of installing components of its utility plant.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL: 75 years
Net Salv: 0%

Proposed Depreciation Parameters

ASL/Curve: 75-SQ
Future Net Salv: 0 %

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	1.33%	1.33%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 375.00 Structures And Improvements

Historical Experience

Plant Statistics

Plant Balance = $389,236
Average Age of Survivors = 31.2 years
Original Gross Additions = $389,236
Oldest Surviving Vintage = 1907
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = 0 years

Experience Bands (Full Depth) 80-L1 Estimated

Historic Net Salvage: (61-08)

Three Year Average Net Salvage Percent

2004-06	2005-07	2006-08	Full Depth 1961-2008
0%	0%	0%	-16%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -79%

Plant Considerations/Future Expectations

The costs included in this account investment are related to various distribution related structures. Ongoing changes occur due to required component upgrades as well as changes in business environment conditions. End of life costs relative to rehabilitation or disposal is routinely experience within this property class.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

Interim Retirement ASL: 40 years
Net Salv: -10%

Proposed Depreciation Parameters

Interim Retirement ASL/Curve: 80-L1
Future Net Salv: -15%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	2.79%	2.75 %

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 376.10 Distribution Mains – Steel

Historical Experience

Plant Statistics	Plant Balance = $193,983,377 Average Age of Survivors = 25.5 years Original Gross Additions = $200,056,590 Oldest Surviving Vintage = 1906 Retirements = $6,169,348, or 3.1% of historical additions. Average Age of Retirements = 27.7 years
Experience Bands	2001 – 2008 (Full Depth) 68-R2.5

Historic Net Salvage: (70-08)

Three Year Average Net Salvage Percent

2004-06	2005-07	2006-08	Full Depth 1961-2008
-15%	-144%	-109%	-64%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
2%	2%	3%	5%

Forecasted Net Salvage: -199%

Plant Considerations/Future Expectations

This property group is comprised of the Company's investment and related experience of Wrapped Steel Distribution Mains. While portions of this property class (bare steel) were originally installed during earlier years, coated and wrapped steel has continue to be installed for higher pressure and larger size requirements. Like the Cast Iron property earlier vintage assets in this account have aged considerably. Likewise, due to the lack of serviceability of the older vintaged property of this class of Steel Mains are related to Bare Steel Mains are being replaced at higher rates than occurred during prior years.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL: 80 years
Net Salv: -65%

Proposed Depreciation Parameters

ASL/Curve: 68-R2.5
Future Net Salv: -70%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	2.54%	2.06%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT - 376.20 Distribution Mains - Plastic

Historical Experience

Plant Statistics	Plant Balance = $124,509,010 Average Age of Survivors = 10.3 years Original Gross Additions = $128,327,840 Oldest Surviving Vintage = 1975 Retirements = $3,820,970 or 3.0% of historical additions. Average Age of Retirements = 12.3 years
Experience Bands	2001 – 2008 (Full Depth) 60-R4 FTA 30 years

Historic Net Salvage: (75-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
117%	-325%	.25%	-46%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
53%	68%	96%	143%

Forecasted Net Salvage: -43%

Plant Considerations/Future Expectations

This property group investment is comprised of the Company's investment and related experience of Plastic Distribution Mains and are typically related to the more recently installed portions of Mains. Studies of this class of property, in numerous completed depreciation studies, have identified that Plastic Mains routinely experience considerably short lives than their metal counterparts. Such shorter lives are the product of higher levels of physical issues (e.g. physical damage, etc) impacting the mains as well as the fact that the Plastic mains have often been installed in areas that experience higher growth and replacements.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 80 years
Net Salv: -65%

Proposed Depreciation Parameters

ASL/Curve: 60-R4
Future Net Salv: -70%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	2.83%	2.06%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 376.30 Mains – Cast Iron

Historical Experience

Plant Statistics
Plant Balance = $942,060
Average Age of Survivors = 65.4 years
Original Gross Additions =$1,958,251
Oldest Surviving Vintage = 1856
Retirements = $1,116,191 or 57% of historical additions.
Average Age of Retirements = 84.6 years

Experience Bands 2002 – 2008 (Full Depth) 62-L5

Historic Net Salvage: (02-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
-1291%	-233%	-82%	-94%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
10%	10%	10%	13%

Forecasted Net Salvage: -48%

Plant Considerations/Future Expectations

This investment in this property group is limited and is rapidly being replaced.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 4 years
Net Salv: -120%

Proposed Depreciation Parameters

ASL/Curve: 62-L5
Future Net Salv: -100%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	3.23%	0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 376.40 Mains – Valve GT 4 Inch

Historical Experience

Plant Statistics

Plant Balance = $346,838
Average Age of Survivors = 1.7 years
Original Gross Additions =$349,197
Oldest Surviving Vintage = 2005
Retirements = $2,359, or 0.7% of historical additions.
Average Age of Retirements = 2.9 years

Experience Bands 50-R3 Estimated

Historic Net Salvage: (06-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	2006-2008
NA	NA	-833%	-833%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -3085%

Plant Considerations/Future Expectations

This account is comprised of costs related to recent vintage Valves installed in the distribution system. Given the mechanical nature of the property the class is anticipated to have a shorter life than Mains.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 80 years
Net Salv: -65%

Proposed Depreciation Parameters

ASL/Curve: 50-R3
Future Net Salv: -100%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	4.00%	2.06%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 378 .10 Measuring & Regulating Station Equipment - Inside

Historical Experience

Plant Statistics
Plant Balance = $10,124,798
Average Age of Survivors = 12.9 years
Original Gross Additions = $10,124,798
Oldest Surviving Vintage = 1910
Retirements = $899,801, or 8.9% of historical additions.
Average Age of Retirements = 25.9 years

Experience Bands 2002 – 2008 (Full Depth) 37-L3

Historic Net Salvage: (61-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
-1%	-5%	-13%	-14%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -29%

Plant Considerations/Future Expectations

This account investment is applicable to the costs associated with measuring and regulating vaults and equipment located throughout the Company's distribution system. This class of property is impacted by system pressure upgrades/changes as well as by manufacture discontinued properties. The Company routinely makes ongoing changes to these facilities.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 50 years
Net Salv: -15%

Proposed Depreciation Parameters

ASL/Curve: 35-L2
Future Net Salv: -15%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	3.29%	2.30%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 378.11 Measuring & Regulating Station Equipment – Outside

Historical Experience

Plant Statistics	Plant Balance = $7,849,679 Average Age of Survivors = 16.6 years Original Gross Additions = $9,724,221 Oldest Surviving Vintage = 1906 Retirements = $1,874,542, or 19.3% of historical additions. Average Age of Retirements = 27.3 years
Experience Bands	2001 – 2008 (Full Depth) 22-L1.5

Historic Net Salvage: (61-08)

Three Year Average Net Salvage Percent

2004-06	2005-07	2006-08	Full Depth 1961-2008
-8%	-9%	-4%	-18%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -29%

Plant Considerations/Future Expectations

This account investment is applicable to the costs associated with measuring and regulating vaults and equipment located throughout the Company's City Gate Stations. Similar to general M&R equipment, this class of property is impacted by system pressure upgrades/changes as well as by manufacture discontinued properties.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 50 years
Net Salv: -25%

Proposed Depreciation Parameters

ASL/Curve: 22-L1.5
Future Net Salv: -20%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	5.45%	2.50%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 380.10 Services – Steel

Historical Experience

Plant Statistics

Plant Balance = $39,065,997
Average Age of Survivors = 35.7 years
Original Gross Additions = $44,603,515
Oldest Surviving Vintage = 1903
Retirements = $5,538,500, or 12.4% of historical additions.
Average Age of Retirements = 36.3 years

Experience Bands 2001– 2008 (Full Depth) 35-R0.5
Historic Net Salvage: (03-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
-42%	-78%	-85%	-23%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -24%

Plant Considerations/Future Expectations

This property group is comprised of the Company's investment and related experience of Steel Services. The older vintage investments within the property group are related to Bare Steel Service which are being replaced at higher rates than occurred during prior years. Starting during 2009 the Company will be scheduling the replacing 2000 Bare Services as compared to the previously replaced 1000 Bare Service replacements per year.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 44 years
Net Salv: -15%

Proposed Depreciation Parameters

ASL/Curve: 35-R0.5
Future Net Salv: -25%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	3.57%	2.61%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 380.20 Services – Plastic

Historical Experience

Plant Statistics	Plant Balance = $160,450,403 Average Age of Survivors = 13.7 years Original Gross Additions = $165,427,979 Oldest Surviving Vintage = 1955 Retirements = $5,608,003, or 3.4% of historical additions. Average Age of Retirements = 10.9 years
Experience Bands	2002 – 2008 (Full Depth) 44-L3 FTA 50 years

Historic Net Salvage: (03-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
-80%	-71%	-17%	-27%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
2%	2%	2%	2%

Forecasted Net Salvage: -63%

Plant Considerations/Future Expectations

This property group is comprised of the Company's investment and related experience of Plastic Services. The future service life of this asset class is anticipated to generally be reflective the recent experience.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 44 years
Net Salv: -15%

Proposed Depreciation Parameters

ASL/Curve: 44-L3
Future Net Salv: -30%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	2.95%	2.61%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 381 Meters

Historical Experience

Plant Statistics	Plant Balance = $20,771,792 Average Age of Survivors = 14.6 years Original Gross Additions = $26,435,023 Oldest Surviving Vintage = 1953 Retirements = $5,663,231, or 21.4% of historical additions. Average Age of Retirements = 27.7 years
Experience Bands	2001 - 2008 (Full Depth) 26-R1.5
Historic Net Salvage:	(61-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
-0.19%	-0.50%	-0.01%	-2%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
6%	4%	0%	0%

Forecasted Net Salvage: -8%

Plant Considerations/Future Expectations

While no specific consideration has been factored into the estimated average service life of meters, in future years the Company's Meter can be anticipated to be impact by Automated Meter Reading technology. It is anticipated that the Company will is investigate the benefits and cost of installing such a Meter system. Under a typical Meter upgrade model/program customer's Meters would routinely be replaced with new property to enhance the efficiency of the Meter reading task. Accordingly, the current service life being achieved by this property class can be anticipated to be materially impacted (shortened) in future years.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 33 years
Net Salv: 0%

Proposed Depreciation Parameters

ASL/Curve: 26-R1.5
Future Net Salv: -6%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	3.85%	3.03%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 382 Meter Installations

Historical Experience

Plant Statistics	Plant Balance = $27,294,453 Average Age of Survivors = 15.0 years Original Gross Additions = $26,246,300 Oldest Surviving Vintage = 1970 Retirements = $951,847, or 3.6% of historical additions. Average Age of Retirements = 22.6 years
Experience Bands	2001 – 2008 (Full Depth) 38-L4

Historic Net Salvage: (99-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
0%	0%	0%	-2%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -4%

Plant Considerations/Future Expectations

The account contains the Company's investments related to December 31, 2007 embedded labor and over head costs associated with the installation of the gas meters at the customer's location. During subsequent periods the Company's accounting practice and policy is being changed to include the installation cost together with the cost of the Meter. Therefore, all future install cost and related retirements will be booked in Account 381-Meters.

As a result of this accounting change and the lack of future retirements from this property group, the historical embedded installation cost, contained within this account, will be amortized over the average remaining life of the property group. A generation arrangement containing the calculation of the annual amortization amount (on a vintage level based) is included as Table 7 in Section 2 of this depreciation study report.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 30 years
Net Salv: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 38-L4
Future Net Salv: 0%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	N/A	3.33%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 383.10 House Regulators

Historical Experience

Plant Statistics
Plant Balance = $4,955,179
Average Age of Survivors = 16.5 years
Original Gross Additions = $5,235,998
Oldest Surviving Vintage = 1963
Retirements = $280,819, or 5.4% of historical additions.
Average Age of Retirements = 36.6 years

Experience Bands 2001 – 2008 (Full Depth) 37-S6

Historic Net Salvage: (99-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
-303%	-38%	-8%	-244%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
..03%.	.03%	.03%	0%

Forecasted Net Salvage: -414%

Plant Considerations/Future Expectations

The account contains the Company's investments related to the residential gas regulators located at the customer's location.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 30 years
Net Salv: -75%

Proposed Depreciation Parameters

ASL/Curve: 37-S6
Future Net Salv: -75%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	4.73%	5.83%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 383.20 House Regulators on Cust. Premises

Historical Experience

Plant Statistics	Plant Balance = $24,613 Average Age of Survivors = 32.7 years Original Gross Additions = $24,613 Oldest Surviving Vintage = 1960 Retirements = $0, or 0% of historical additions. Average Age of Retirements = 0 years
Experience Bands	Estimated 37-S6

Historic Net Salvage: (70-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
0%	0%	0%	-419%

Gross Salvage Trend Analysis			
20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -470%

Plant Considerations/Future Expectations

The account contains the Company's investments related to the residential gas regulators located at the customer's location.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 40 years
Net Salv: -25%

Proposed Depreciation Parameters

ASL/Curve: 37-S6
Future Net Salv: -75%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	4.73%	3.13%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 384.10 House Regulator Installations

Historical Experience

Plant Statistics	Plant Balance = $9,742,098 Average Age of Survivors = 14.9 years. Original Gross Additions = $10,611,398 Oldest Surviving Vintage = 1962 Retirements - $869,300, or 8.2% of historical additions. Average Age of Retirements = 36.5 years
Experience Bands	2001 – 2008 (Full depth) 37-S6

Historic Net Salvage: (99-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
-177%	-37%	-7%	-235%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
.04%	.04%	.04%	0%

Forecasted Net Salvage: -408%

Plant Considerations/Future Expectations

The account contains the Company's investments related to December 31, 2008 embedded labor and over head costs associated with the installation of the house regulators at the customer's location. During subsequent periods the Company's accounting practice and policy is being changed to include the installation cost together with the cost of the House Regulator. Therefore, all future install cost and related retirements will be booked in Account 383-House Regulators.

As a result of this accounting change and the lack of future retirements from this property group, the historical embedded installation cost, contained within this account, will be amortized over the average remaining life of the property group. A generation arrangement containing the calculation of the annual amortization amount (on a vintage level based) is included as Table 8 in Section 2 of this depreciation study report.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL: 35 years
Net Salv: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 37-S6
Future Net Salv: 0%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	N/A	2.86%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 384.20 Special Reg. Installation on Cust. Premise

Historical Experience

Plant Statistics	Plant Balance = $642,093 Average Age of Survivors = 38.8 years. Original Gross Additions = $642,093 Oldest Surviving Vintage = 1961 Retirements - $0, or 0% of historical additions. Average Age of Retirements = 0 years
Experience Bands	Estimated 37-S6

Historic Net Salvage: (70-08) N/A

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
0%	0%	0%	-86%

Gross Salvage Trend Analysis			
20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -86%

Plant Considerations/Future Expectations

The account contains the Company's investments related to December 31, 2008 embedded labor and over head costs associated with the installation of the house regulators at the customer's location. During subsequent periods the Company's accounting practice and policy is being changed to include the installation cost together with the cost of the House Regulator. Therefore, all future install cost and related retirements will be booked in Account 383-House Regulators.

As a result of this accounting change and the lack of future retirements from this property group, the historical embedded installation cost, contained within this account, will be amortized over the average remaining life of the property group. A generation arrangement containing the calculation of the annual amortization amount (on a vintage level based) is included as Table 8 in Section 2 of this depreciation study report.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 50 years
Net Salv: 0%

Proposed Depreciation Parameters

ASL/Curve: 37-S6

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Future Net Salv: 0%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	N/A	2.00%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 387.00 Other Equipment

Historical Experience

Plant Statistics	Plant Balance = $16,541 Average Age of Survivors = 41.3 years Original Gross Additions = $16,541 Oldest Surviving Vintage = 1963 Retirements = $0, or 0% of historical additions. Average Age of Retirements = 0 years
Experience Bands	Estimated 35-R3

Historic Net Salvage: N/A

Plant Considerations/Future Expectations

This account includes the limited cost of unclassified equipment related to the distribution plant.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: N/A
Net Salv: 0%

Proposed Depreciation Parameters

ASL/Curve: 35-R3
Future Net Salv: 0%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	2.80%	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 387.10 Transportation Monitoring Equipment

Historical Experience

Plant Statistics

Plant Balance = $987,338
Average Age of Survivors = 14 years
Original Gross Additions = $987,441
Oldest Surviving Vintage = 1992
Retirements = $103, or 0% of historical additions.
Average Age of Retirements = 8.5 years

Experience Bands Estimated 20-R2

Historic Net Salvage: (03-08)

Three Year Average Net Salvage Percent			Full Depth
2004-06	2005-07	2006-08	1961-2008
0%	0%	0%	-168%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -197%

Plant Considerations/Future Expectations

This account includes the cost related to the metering & monitoring of gas transportation customers.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 20 years
Net Salv: 0%

Proposed Depreciation Parameters

ASL/Curve: 20-R2
Future Net Salv: 0%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	5.00%	5.00%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 390.00 Structures And Improvements

Historical Experience

Plant Statistics	Plant Balance = $369,965 Average Age of Survivors = 28.2 years. Original Gross Additions = $369,965 Oldest Surviving Vintage = 1927 Retirements - $0, or 0% of historical additions. Average Age of Retirements = 0 years
Experience Bands	Estimated 35-L1.5

Historic Net Salvage: N/A

Plant Considerations/Future Expectations

This investment is related to cost of various General related structures and improvements. Ongoing changes occur due to required component upgrades as well as changes in business environment conditions. End of life costs relative to rehabilitation or disposal is routinely experienced within this property class.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

ASL: 50 years
Net Salv: -10%

Proposed Depreciation Parameters

ASL/Curve: 35-L1.5
Future Net Salv: -10%

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	3.14%	2.20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ROCHESTER GAS & ELECTRIC - COMMON PLANT

Study Analysis & Results

ACCOUNT - 390.00 Structures And Improvements

Historical Experience

Plant Statistics
Plant Balance = $27,788,051
Average Age of Survivors = 20.8 years.
Original Gross Additions = $31,728,265
Oldest Surviving Vintage = 1892
Retirements - $3,940,214, or 12.4% of historical additions.
Average Age of Retirements = 24 years

Experience Bands 2001 – 2008 (Full Depth) 35-L1.5

Historic Net Salvage: (61-08)

Three Year Average Net Salvage Percent			Full Depth
2003-05	2004-06	2005-07	1961-2007
-57%	-84%	206%	-11%

Gross Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
3%	3%	4%	0.49%

Forecasted Net Salvage: -15%

Plant Considerations/Future Expectations

This investment is related to cost of various General related structures and improvements. Ongoing changes occur due to required component upgrades as well as changes in business environment conditions. End of life costs relative to rehabilitation or disposal is routinely experienced within this property class.

Life Analysis Method: Retirement Rate Method (Actuarial)

Current Depreciation Parameters

Interim Retirement ASL/Curve: 50
Net Salv: -10%

Proposed Depreciation Parameters

Interim Retirement ASL/Curve: 35-L1.5
Future Net Salv: -10%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @New Parameters	Old Rate @ Old Parameters
Rate	3.14%	2.20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

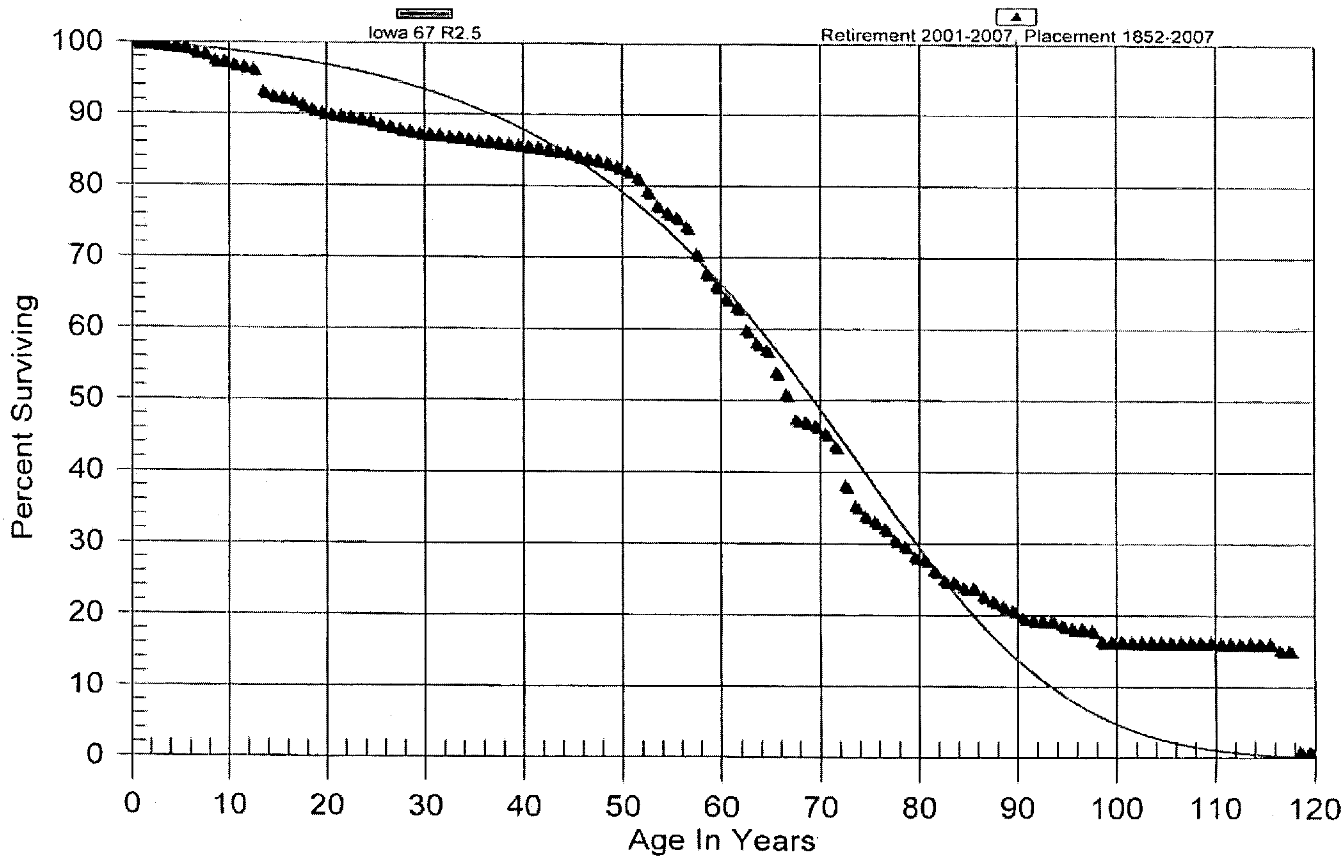
SECTION 5

Rochester Gas & Electric

Gas Plant

376.10 MAINS - STEEL

Original And Smooth Survivor Curves



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Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1852 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$39,191,085.36	$0.00	0.00000	100.00
0.5 - 1.5	$44,301,247.78	$10,183.24	0.00023	100.00
1.5 - 2.5	$46,375,905.81	$47,578.97	0.00103	99.98
2.5 - 3.5	$43,301,425.27	$63,074.75	0.00146	99.87
3.5 - 4.5	$41,126,400.09	$89,791.38	0.00218	99.73
4.5 - 5.5	$20,182,109.98	$15,669.88	0.00078	99.51
5.5 - 6.5	$17,671,403.62	$110,097.79	0.00623	99.43
6.5 - 7.5	$15,389,054.41	$41,432.03	0.00269	98.81
7.5 - 8.5	$12,031,016.76	$117,439.16	0.00976	98.55
8.5 - 9.5	$19,458,192.77	$29,115.15	0.00150	97.59
9.5 - 10.5	$27,006,099.56	$125,499.50	0.00465	97.44
10.5 - 11.5	$28,112,396.18	$80,043.85	0.00285	96.99
11.5 - 12.5	$32,526,248.08	$118,889.17	0.00366	96.71
12.5 - 13.5	$33,186,556.65	$1,094,990.08	0.03299	96.36
13.5 - 14.5	$34,355,210.46	$226,286.57	0.00659	93.18
14.5 - 15.5	$32,497,815.28	$48,846.65	0.00150	92.56
15.5 - 16.5	$25,193,655.05	$85,901.66	0.00341	92.43
16.5 - 17.5	$20,219,575.46	$166,203.57	0.00822	92.11
17.5 - 18.5	$22,181,977.77	$146,746.38	0.00662	91.35
18.5 - 19.5	$21,719,823.51	$97,698.13	0.00450	90.75
19.5 - 20.5	$24,860,463.44	$81,909.60	0.00329	90.34
20.5 - 21.5	$23,869,326.38	$57,346.61	0.00240	90.04
21.5 - 22.5	$28,335,629.27	$55,595.82	0.00196	89.83
22.5 - 23.5	$30,821,560.54	$94,084.71	0.00305	89.65
23.5 - 24.5	$29,738,170.05	$56,254.38	0.00189	89.38
24.5 - 25.5	$27,426,706.07	$168,275.49	0.00614	89.21
25.5 - 26.5	$25,225,163.90	$94,676.41	0.00375	88.66
26.5 - 27.5	$24,989,544.28	$109,065.03	0.00436	88.33
27.5 - 28.5	$25,679,840.71	$57,247.21	0.00223	87.94
28.5 - 29.5	$23,284,071.43	$77,145.75	0.00331	87.75
29.5 - 30.5	$20,420,723.21	$32,540.69	0.00159	87.46
30.5 - 31.5	$21,349,325.05	$26,828.60	0.00126	87.32
31.5 - 32.5	$22,457,025.20	$56,892.52	0.00253	87.21
32.5 - 33.5	$22,761,272.87	$25,497.65	0.00112	86.99
33.5 - 34.5	$20,504,577.18	$62,013.22	0.00302	86.89
34.5 - 35.5	$19,071,084.81	$46,713.99	0.00245	86.63
35.5 - 36.5	$19,067,125.75	$22,917.34	0.00120	86.41

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1852 TO 2007

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$19,885,256.12	$34,599.27	0.00174	86.31
37.5 - 38.5	$22,091,999.75	$52,689.37	0.00238	86.16
38.5 - 39.5	$21,673,399.02	$48,651.66	0.00224	85.95
39.5 - 40.5	$21,760,562.97	$31,173.51	0.00143	85.76
40.5 - 41.5	$22,509,145.08	$48,016.87	0.00213	85.64
41.5 - 42.5	$23,979,082.58	$74,410.22	0.00310	85.46
42.5 - 43.5	$22,654,730.51	$58,784.22	0.00259	85.19
43.5 - 44.5	$19,965,706.44	$53,891.29	0.00270	84.97
44.5 - 45.5	$15,884,793.23	$98,501.05	0.00620	84.74
45.5 - 46.5	$15,684,519.46	$50,040.54	0.00319	84.21
46.5 - 47.5	$14,520,109.34	$42,738.56	0.00294	83.95
47.5 - 48.5	$11,935,913.29	$56,744.07	0.00475	83.70
48.5 - 49.5	$8,717,624.48	$54,399.87	0.00624	83.30
49.5 - 50.5	$8,540,454.80	$62,217.14	0.00728	82.78
50.5 - 51.5	$8,397,755.18	$96,534.36	0.01150	82.18
51.5 - 52.5	$7,722,611.51	$186,060.64	0.02409	81.23
52.5 - 53.5	$5,271,601.92	$131,596.68	0.02496	79.28
53.5 - 54.5	$4,077,900.35	$50,864.29	0.01247	77.30
54.5 - 55.5	$3,889,671.89	$35,913.87	0.00923	76.33
55.5 - 56.5	$3,429,463.74	$58,403.29	0.01703	75.63
56.5 - 57.5	$1,873,405.02	$94,373.89	0.05038	74.34
57.5 - 58.5	$773,168.19	$30,607.75	0.03959	70.60
58.5 - 59.5	$524,248.85	$13,621.25	0.02598	67.80
59.5 - 60.5	$356,655.74	$9,688.17	0.02716	66.04
60.5 - 61.5	$284,226.85	$5,435.17	0.01912	64.24
61.5 - 62.5	$176,208.32	$8,700.06	0.04937	63.02
62.5 - 63.5	$277,755.63	$8,440.78	0.03039	59.90
63.5 - 64.5	$323,162.07	$5,408.29	0.01674	58.08
64.5 - 65.5	$339,625.13	$18,516.61	0.05452	57.11
65.5 - 66.5	$263,163.38	$15,039.42	0.05714	54.00
66.5 - 67.5	$206,898.41	$14,202.18	0.06864	50.91
67.5 - 68.5	$178,948.95	$1,106.36	0.00618	47.42
68.5 - 69.5	$171,403.44	$2,293.99	0.01338	47.12
69.5 - 70.5	$77,006.41	$1,709.93	0.02221	46.49
70.5 - 71.5	$71,253.89	$2,774.72	0.03894	45.46
71.5 - 72.5	$84,949.45	$10,852.47	0.12775	43.69
72.5 - 73.5	$81,366.32	$6,013.25	0.07390	38.11

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL
Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1852 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
73.5 - 74.5	$125,185.57	$5,032.98	0.04020	35.29
74.5 - 75.5	$127,153.03	$2,917.14	0.02294	33.87
75.5 - 76.5	$133,357.57	$3,889.70	0.02917	33.10
76.5 - 77.5	$123,830.49	$5,859.22	0.04732	32.13
77.5 - 78.5	$91,988.79	$2,765.13	0.03006	30.61
78.5 - 79.5	$78,387.38	$3,938.33	0.05024	29.69
79.5 - 80.5	$66,543.19	$871.29	0.01309	28.20
80.5 - 81.5	$19,529.74	$1,069.53	0.05476	27.83
81.5 - 82.5	$13,389.48	$684.73	0.05114	26.31
82.5 - 83.5	$6,630.34	$45.81	0.00691	24.96
83.5 - 84.5	$7,844.81	$269.80	0.03439	24.79
84.5 - 85.5	$16,066.81	$23.96	0.00149	23.94
85.5 - 86.5	$30,411.92	$1,503.94	0.04945	23.90
86.5 - 87.5	$79,909.97	$2,479.69	0.03103	22.72
87.5 - 88.5	$152,904.59	$4,616.45	0.03019	22.01
88.5 - 89.5	$148,986.15	$4,081.91	0.02740	21.35
89.5 - 90.5	$150,331.20	$7,360.21	0.04896	20.76
90.5 - 91.5	$183,929.42	$2,555.54	0.01389	19.75
91.5 - 92.5	$317,908.16	$1,703.62	0.00536	19.47
92.5 - 93.5	$303,951.27	$576.74	0.00190	19.37
93.5 - 94.5	$288,789.10	$9,567.85	0.03313	19.33
94.5 - 95.5	$219,355.63	$4,985.64	0.02273	18.69
95.5 - 96.5	$213,367.83	$368.35	0.00173	18.27
96.5 - 97.5	$207,800.14	$2,830.39	0.01362	18.23
97.5 - 98.5	$163,535.55	$14,041.60	0.08586	17.99
98.5 - 99.5	$27,719.97	$0.36	0.00001	16.44
99.5 - 100.5	$27,673.66	$9.07	0.00033	16.44
100.5 - 101.5	$3,292.76	$12.42	0.00377	16.44
101.5 - 102.5	$0.00	$0.00	0.00000	16.37
102.5 - 103.5	$0.00	$0.00	0.00000	16.37
103.5 - 104.5	$44.00	$0.00	0.00000	16.37
104.5 - 105.5	$44.00	$0.00	0.00000	16.37
105.5 - 106.5	$44.00	$0.00	0.00000	16.37
106.5 - 107.5	$88.00	$0.00	0.00000	16.37
107.5 - 108.5	$88.00	$0.00	0.00000	16.37
108.5 - 109.5	$88.00	$0.00	0.00000	16.37
109.5 - 110.5	$88.00	$0.81	0.00920	16.37

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1852 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
110.5 - 111.5	$44.00	$0.00	0.00000	16.22
111.5 - 112.5	$66.00	$0.00	0.00000	16.22
112.5 - 113.5	$299.12	$0.48	0.00160	16.22
113.5 - 114.5	$255.12	$0.00	0.00000	16.20
114.5 - 115.5	$477.43	$0.54	0.00113	16.20
115.5 - 116.5	$8,982.15	$532.40	0.05927	16.18
116.5 - 117.5	$8,460.17	$0.00	0.00000	15.22
117.5 - 118.5	$8,493.77	$7,972.98	0.93869	15.22
118.5 - 119.5	$758.47	$21.02	0.02771	0.93
119.5 - 120.5	$525.35	$0.00	0.00000	0.91
120.5 - 121.5	$525.35	$0.00	0.00000	0.91
121.5 - 122.5	$303.04	$0.00	0.00000	0.91
122.5 - 123.5	$303.04	$0.00	0.00000	0.91
123.5 - 124.5	$272.62	$0.00	0.00000	0.91
124.5 - 125.5	$294.97	$0.00	0.00000	0.91
125.5 - 126.5	$35.95	$0.00	0.00000	0.91
126.5 - 127.5	$35.95	$0.00	0.00000	0.91
127.5 - 128.5	$35.95	$0.00	0.00000	0.91
128.5 - 129.5	$35.95	$0.00	0.00000	0.91
129.5 - 130.5	$35.95	$0.00	0.00000	0.91
130.5 - 131.5	$35.95	$0.00	0.00000	0.91
131.5 - 132.5	$0.00	$0.00	0.00000	0.91
132.5 - 133.5	$0.00	$0.00	0.00000	0.91
133.5 - 134.5	$0.00	$0.00	0.00000	0.91
134.5 - 135.5	$0.00	$0.00	0.00000	0.91
135.5 - 136.5	$0.00	$0.00	0.00000	0.91
136.5 - 137.5	$0.00	$0.00	0.00000	0.91
137.5 - 138.5	$0.00	$0.00	0.00000	0.91
138.5 - 139.5	$0.00	$0.00	0.00000	0.91
139.5 - 140.5	$0.00	$0.00	0.00000	0.91
140.5 - 141.5	$0.00	$0.00	0.00000	0.91
141.5 - 142.5	$0.00	$0.00	0.00000	0.91
142.5 - 143.5	$1,735.88	$0.00	0.00000	0.91
143.5 - 144.5	$1,735.88	$0.00	0.00000	0.91
144.5 - 145.5	$1,735.88	$0.00	0.00000	0.91
145.5 - 146.5	$1,735.88	$0.00	0.00000	0.91
146.5 - 147.5	$1,735.88	$0.00	0.00000	0.91

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1852 TO 2007

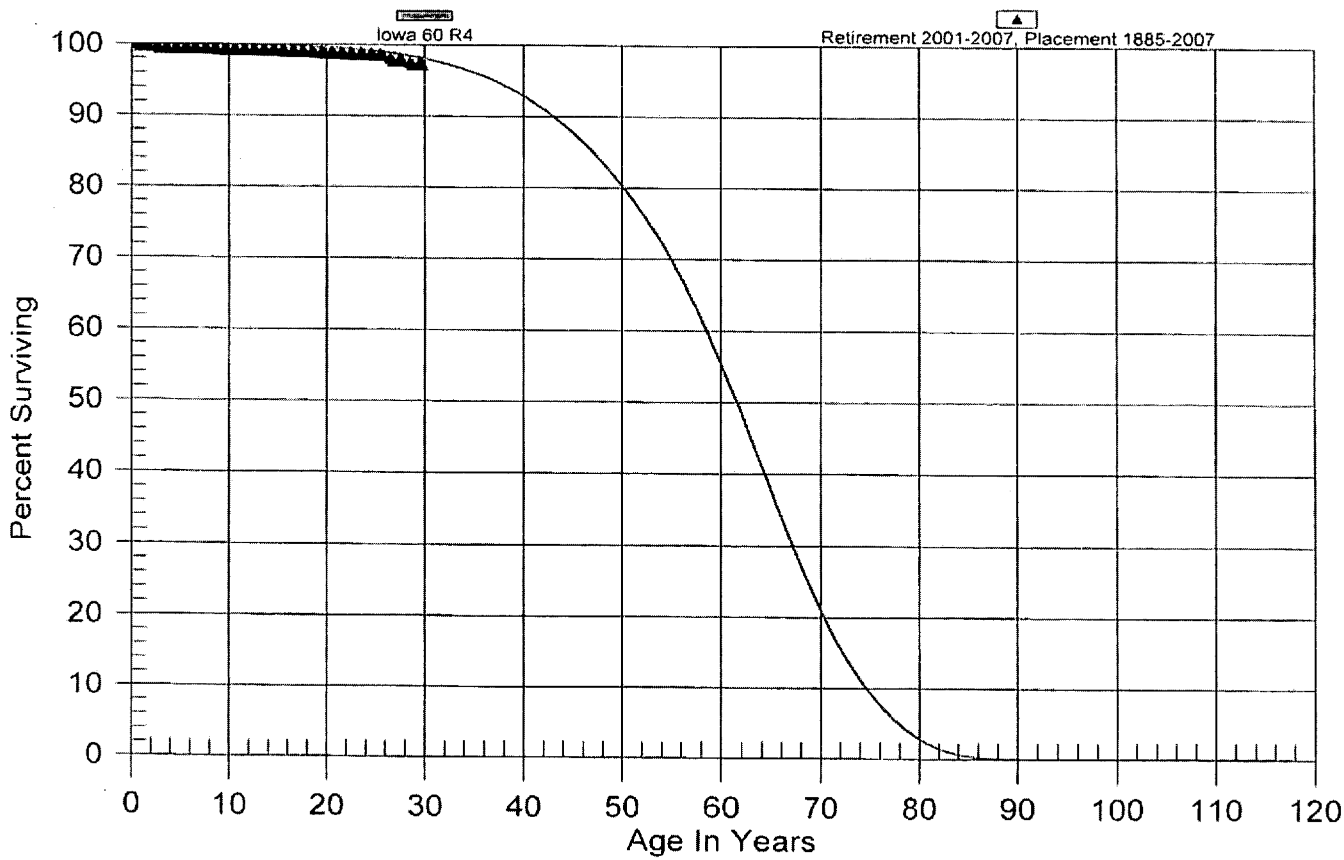
Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
147.5 - 148.5	$1,735.88	$0.00	0.00000	0.91
148.5 - 149.5	$1,751.38	$0.00	0.00000	0.91
149.5 - 150.5	$15.50	$0.00	0.00000	0.91
150.5 - 151.5	$15.50	$0.00	0.00000	0.91
151.5 - 152.5	$15.50	$0.00	0.00000	0.91
152.5 - 153.5	$15.50	$0.00	0.00000	0.91
153.5 - 154.5	$15.50	$0.00	0.00000	0.91
154.5 - 155.5	$15.50	$0.00	0.00000	0.91
155.5 - 156.5	$0.00	$0.00	0.00000	0.91

Rochester Gas & Electric

Gas Plant

376.20 MAINS - PLASTIC

Original And Smooth Survivor Curves



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Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1885 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$43,259,532.13	$0.00	0.00000	100.00
0.5 - 1.5	$61,077,831.34	$3,633.31	0.00006	100.00
1.5 - 2.5	$61,654,497.33	$156,511.45	0.00254	99.99
2.5 - 3.5	$58,481,690.38	$10,533.31	0.00018	99.74
3.5 - 4.5	$62,374,709.04	$8,101.24	0.00013	99.72
4.5 - 5.5	$51,389,943.39	$2,019.17	0.00004	99.71
5.5 - 6.5	$45,945,263.05	$3,901.81	0.00008	99.71
6.5 - 7.5	$42,855,400.45	$21,100.64	0.00049	99.70
7.5 - 8.5	$25,142,978.26	$16,325.38	0.00065	99.65
8.5 - 9.5	$19,197,156.66	$15,401.83	0.00080	99.58
9.5 - 10.5	$21,978,306.98	$2,967.03	0.00013	99.50
10.5 - 11.5	$19,806,924.53	$5,281.52	0.00027	99.49
11.5 - 12.5	$22,542,439.91	$6,976.94	0.00031	99.46
12.5 - 13.5	$23,085,293.73	$7,504.96	0.00033	99.43
13.5 - 14.5	$23,500,174.18	$3,014.64	0.00013	99.40
14.5 - 15.5	$21,799,788.89	$15,296.58	0.00070	99.39
15.5 - 16.5	$19,838,126.18	$5,148.50	0.00026	99.32
16.5 - 17.5	$17,121,997.10	$9,357.18	0.00055	99.29
17.5 - 18.5	$16,049,939.74	$14,967.75	0.00093	99.24
18.5 - 19.5	$13,988,723.86	$5,550.09	0.00040	99.15
19.5 - 20.5	$11,976,685.02	$9,607.58	0.00080	99.11
20.5 - 21.5	$8,151,864.82	$4,900.46	0.00060	99.03
21.5 - 22.5	$7,846,778.00	$2,650.50	0.00034	98.97
22.5 - 23.5	$5,927,463.25	$1,648.33	0.00028	98.93
23.5 - 24.5	$3,809,997.75	$847.91	0.00022	98.91
24.5 - 25.5	$2,746,271.88	$1,525.90	0.00056	98.88
25.5 - 26.5	$2,061,279.79	$15,279.66	0.00741	98.83
26.5 - 27.5	$1,436,083.85	$2.91	0.00000	98.10
27.5 - 28.5	$996,067.44	$5,773.35	0.00580	98.10
28.5 - 29.5	$508,342.07	$0.00	0.00000	97.53
29.5 - 30.5	$105,243.80	$0.00	0.00000	97.53
30.5 - 31.5	$23,568.00	$0.00	0.00000	97.53
31.5 - 32.5	$952.00	$0.00	0.00000	97.53
32.5 - 33.5	$0.00	$0.00	0.00000	97.53
33.5 - 34.5	$0.00	$0.00	0.00000	97.53
34.5 - 35.5	$0.00	$0.00	0.00000	97.53
35.5 - 36.5	$0.00	$0.00	0.00000	97.53

Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1885 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$0.00	$0.00	0.00000	97.53
37.5 - 38.5	$0.00	$0.00	0.00000	97.53
38.5 - 39.5	$0.00	$0.00	0.00000	97.53
39.5 - 40.5	$0.00	$0.00	0.00000	97.53
40.5 - 41.5	$0.00	$0.00	0.00000	97.53
41.5 - 42.5	$0.00	$0.00	0.00000	97.53
42.5 - 43.5	$0.00	$0.00	0.00000	97.53
43.5 - 44.5	$0.00	$0.00	0.00000	97.53
44.5 - 45.5	$0.00	$0.00	0.00000	97.53
45.5 - 46.5	$0.00	$0.00	0.00000	97.53
46.5 - 47.5	$0.00	$0.00	0.00000	97.53
47.5 - 48.5	$0.00	$0.00	0.00000	97.53
48.5 - 49.5	$0.00	$0.00	0.00000	97.53

Rochester Gas & Electric

Gas Plant

376.30 MAINS - CAST IRON

Original And Smooth Survivor Curves

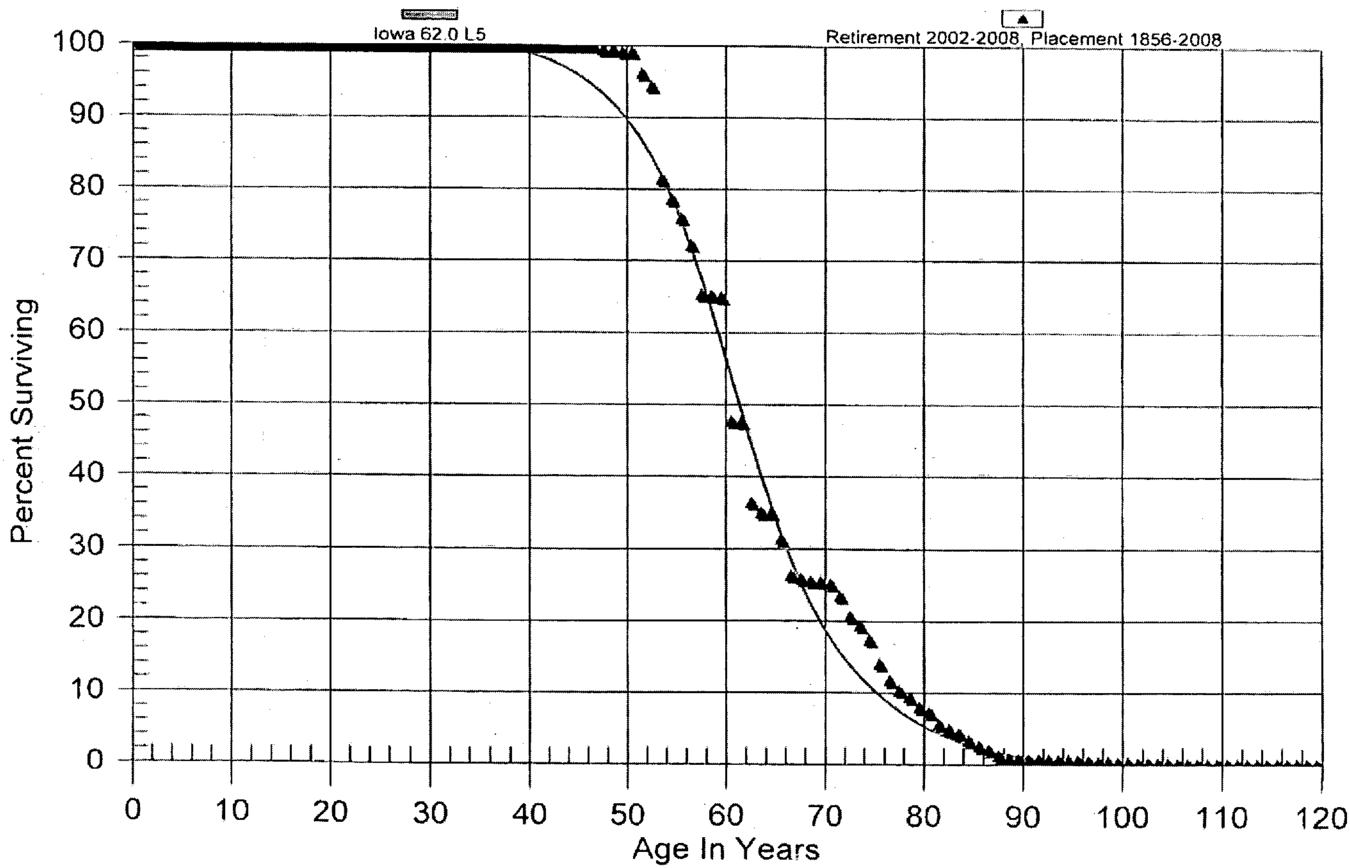

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Exhibit __ (RGEDEP-2)
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Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON
Observed Life Table
Retirement Expr. 2002 TO 2008
Placement Years 1856 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$115,544.93	$0.00	0.00000	100.00
0.5 - 1.5	$111,240.15	$0.00	0.00000	100.00
1.5 - 2.5	$23,525.04	$0.00	0.00000	100.00
2.5 - 3.5	$0.00	$0.00	0.00000	100.00
3.5 - 4.5	$0.00	$0.00	0.00000	100.00
4.5 - 5.5	$0.00	$0.00	0.00000	100.00
5.5 - 6.5	$0.00	$0.00	0.00000	100.00
6.5 - 7.5	$0.00	$0.00	0.00000	100.00
7.5 - 8.5	$0.00	$0.00	0.00000	100.00
8.5 - 9.5	$0.00	$0.00	0.00000	100.00
9.5 - 10.5	$0.00	$0.00	0.00000	100.00
10.5 - 11.5	$0.00	$0.00	0.00000	100.00
11.5 - 12.5	$0.00	$0.00	0.00000	100.00
12.5 - 13.5	$0.00	$0.00	0.00000	100.00
13.5 - 14.5	$0.00	$0.00	0.00000	100.00
14.5 - 15.5	$0.00	$0.00	0.00000	100.00
15.5 - 16.5	$0.00	$0.00	0.00000	100.00
16.5 - 17.5	$0.00	$0.00	0.00000	100.00
17.5 - 18.5	$0.00	$0.00	0.00000	100.00
18.5 - 19.5	$0.00	$0.00	0.00000	100.00
19.5 - 20.5	$0.00	$0.00	0.00000	100.00
20.5 - 21.5	$0.00	$0.00	0.00000	100.00
21.5 - 22.5	$0.00	$0.00	0.00000	100.00
22.5 - 23.5	$0.00	$0.00	0.00000	100.00
23.5 - 24.5	$0.00	$0.00	0.00000	100.00
24.5 - 25.5	$0.00	$0.00	0.00000	100.00
25.5 - 26.5	$0.00	$0.00	0.00000	100.00
26.5 - 27.5	$0.00	$0.00	0.00000	100.00
27.5 - 28.5	$0.00	$0.00	0.00000	100.00
28.5 - 29.5	$0.00	$0.00	0.00000	100.00
29.5 - 30.5	$0.00	$0.00	0.00000	100.00
30.5 - 31.5	$0.00	$0.00	0.00000	100.00
31.5 - 32.5	$0.00	$0.00	0.00000	100.00
32.5 - 33.5	$0.00	$0.00	0.00000	100.00
33.5 - 34.5	$0.00	$0.00	0.00000	100.00
34.5 - 35.5	$0.00	$0.00	0.00000	100.00
35.5 - 36.5	$0.00	$0.00	0.00000	100.00

Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON

Observed Life Table
Retirement Expr. 2002 TO 2008
Placement Years 1856 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$0.00	$0.00	0.00000	100.00
37.5 - 38.5	$0.00	$0.00	0.00000	100.00
38.5 - 39.5	$0.00	$0.00	0.00000	100.00
39.5 - 40.5	$0.00	$0.00	0.00000	100.00
40.5 - 41.5	$2,216.82	$0.00	0.00000	100.00
41.5 - 42.5	$2,660.19	$0.00	0.00000	100.00
42.5 - 43.5	$2,660.19	$0.00	0.00000	100.00
43.5 - 44.5	$35,212.25	$0.00	0.00000	100.00
44.5 - 45.5	$35,212.25	$0.00	0.00000	100.00
45.5 - 46.5	$111,465.70	$0.00	0.00000	100.00
46.5 - 47.5	$128,491.54	$760.30	0.00592	100.00
47.5 - 48.5	$131,496.01	$0.00	0.00000	99.41
48.5 - 49.5	$131,580.48	$430.42	0.00327	99.41
49.5 - 50.5	$141,720.08	$0.00	0.00000	99.08
50.5 - 51.5	$144,615.68	$4,334.49	0.02997	99.08
51.5 - 52.5	$175,499.87	$3,174.28	0.01809	96.11
52.5 - 53.5	$199,318.82	$27,448.92	0.13771	94.37
53.5 - 54.5	$167,166.91	$5,701.28	0.03411	81.38
54.5 - 55.5	$372,733.26	$12,498.85	0.03353	78.60
55.5 - 56.5	$369,937.34	$18,162.78	0.04910	75.97
56.5 - 57.5	$349,781.81	$33,377.26	0.09542	72.24
57.5 - 58.5	$305,345.46	$814.03	0.00267	65.34
58.5 - 59.5	$288,466.19	$857.85	0.00297	65.17
59.5 - 60.5	$202,300.04	$53,681.37	0.26536	64.98
60.5 - 61.5	$144,175.74	$419.92	0.00291	47.73
61.5 - 62.5	$15,367.01	$3,614.81	0.23523	47.60
62.5 - 63.5	$7,283.41	$275.35	0.03781	36.40
63.5 - 64.5	$12,097.34	$0.00	0.00000	35.02
64.5 - 65.5	$17,134.88	$1,788.72	0.10439	35.02
65.5 - 66.5	$18,991.90	$3,009.58	0.15847	31.37
66.5 - 67.5	$24,955.52	$477.11	0.01912	26.40
67.5 - 68.5	$24,613.60	$318.64	0.01295	25.89
68.5 - 69.5	$25,784.58	$82.50	0.00320	25.56
69.5 - 70.5	$28,553.40	$308.79	0.01081	25.47
70.5 - 71.5	$25,632.02	$1,754.61	0.06846	25.20
71.5 - 72.5	$34,575.45	$4,174.23	0.12073	23.47
72.5 - 73.5	$96,762.60	$5,923.72	0.06122	20.64

Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON

Observed Life Table
Retirement Expr. 2002 TO 2008
Placement Years 1856 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
73.5 - 74.5	$132,249.91	$13,372.67	0.10112	19.38
74.5 - 75.5	$176,930.19	$34,534.09	0.19516	17.42
75.5 - 76.5	$234,029.34	$38,935.91	0.16637	14.02
76.5 - 77.5	$257,549.39	$30,223.90	0.11735	11.69
77.5 - 78.5	$286,911.87	$25,802.97	0.08993	10.31
78.5 - 79.5	$307,559.14	$46,512.33	0.15123	9.39
79.5 - 80.5	$293,106.86	$24,189.83	0.08253	7.97
80.5 - 81.5	$307,439.29	$68,724.40	0.22354	7.31
81.5 - 82.5	$266,166.17	$33,666.19	0.12649	5.68
82.5 - 83.5	$223,581.11	$24,930.18	0.11150	4.96
83.5 - 84.5	$195,108.24	$47,209.83	0.24197	4.40
84.5 - 85.5	$151,876.11	$33,983.07	0.22376	3.34
85.5 - 86.5	$132,704.04	$27,600.78	0.20799	2.59
86.5 - 87.5	$128,935.87	$51,597.10	0.40018	2.05
87.5 - 88.5	$71,566.03	$21,116.13	0.29506	1.23
88.5 - 89.5	$117,996.98	$9,362.93	0.07935	0.87
89.5 - 90.5	$162,693.91	$19,353.11	0.11895	0.80
90.5 - 91.5	$167,904.12	$6,633.05	0.03950	0.70
91.5 - 92.5	$210,529.72	$6,799.82	0.03230	0.68
92.5 - 93.5	$221,765.66	$10,519.15	0.04743	0.65
93.5 - 94.5	$226,191.30	$15,141.11	0.06694	0.62
94.5 - 95.5	$248,076.24	$25,566.76	0.10306	0.58
95.5 - 96.5	$209,335.19	$32,890.62	0.15712	0.52
96.5 - 97.5	$212,055.45	$48,071.45	0.22669	0.44
97.5 - 98.5	$198,454.07	$8,679.34	0.04373	0.34
98.5 - 99.5	$219,847.58	$27,294.64	0.12415	0.33
99.5 - 100.5	$221,871.99	$16,941.57	0.07636	0.28
100.5 - 101.5	$203,619.32	$48,591.78	0.23864	0.26
101.5 - 102.5	$153,141.06	$5,258.30	0.03434	0.20
102.5 - 103.5	$148,783.31	$42,916.77	0.28845	0.19
103.5 - 104.5	$97,465.74	$17,280.48	0.17730	0.14
104.5 - 105.5	$75,395.87	$36,583.37	0.46065	0.11
105.5 - 106.5	$41,105.14	$19,011.61	0.46251	0.06
106.5 - 107.5	$25,259.06	$1,023.06	0.04050	0.03
107.5 - 108.5	$22,287.39	$183.38	0.00823	0.03
108.5 - 109.5	$27,453.77	$1,522.31	0.05545	0.03
109.5 - 110.5	$26,452.92	$1,520.85	0.05749	0.03

Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON

Observed Life Table
Retirement Expr. 2002 TO 2008
Placement Years 1856 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
110.5 - 111.5	$25,561.74	$2,567.32	0.10044	0.03
111.5 - 112.5	$21,230.39	$17.14	0.00081	0.02
112.5 - 113.5	$24,987.31	$3,058.43	0.12240	0.02
113.5 - 114.5	$20,601.99	$4.91	0.00024	0.02
114.5 - 115.5	$19,526.94	$1,006.80	0.05156	0.02
115.5 - 116.5	$9,953.94	$0.00	0.00000	0.02
116.5 - 117.5	$40,466.38	$0.00	0.00000	0.02
117.5 - 118.5	$39,745.90	$55.72	0.00140	0.02
118.5 - 119.5	$38,522.38	$0.00	0.00000	0.02
119.5 - 120.5	$35,334.38	$0.00	0.00000	0.02
120.5 - 121.5	$32,651.64	$0.00	0.00000	0.02
121.5 - 122.5	$32,656.93	$0.00	0.00000	0.02
122.5 - 123.5	$31,955.44	$0.00	0.00000	0.02
123.5 - 124.5	$953.63	$0.00	0.00000	0.02
124.5 - 125.5	$423.04	$0.00	0.00000	0.02
125.5 - 126.5	$423.04	$0.00	0.00000	0.02
126.5 - 127.5	$349.20	$0.00	0.00000	0.02
127.5 - 128.5	$2,488.21	$0.00	0.00000	0.02
128.5 - 129.5	$2,482.92	$0.00	0.00000	0.02
129.5 - 130.5	$2,482.92	$0.00	0.00000	0.02
130.5 - 131.5	$4,013.59	$0.00	0.00000	0.02
131.5 - 132.5	$8,595.79	$0.00	0.00000	0.02
132.5 - 133.5	$9,513.35	$2,482.92	0.26099	0.02
133.5 - 134.5	$7,030.43	$0.00	0.00000	0.02
134.5 - 135.5	$7,030.43	$0.00	0.00000	0.02
135.5 - 136.5	$8,042.34	$0.00	0.00000	0.02
136.5 - 137.5	$8,042.34	$0.00	0.00000	0.02
137.5 - 138.5	$6,511.67	$0.00	0.00000	0.02
138.5 - 139.5	$1,929.47	$0.00	0.00000	0.02
139.5 - 140.5	$1,011.91	$0.00	0.00000	0.02
140.5 - 141.5	$1,011.91	$0.00	0.00000	0.02
141.5 - 142.5	$1,011.91	$0.00	0.00000	0.02
142.5 - 143.5	$148.92	$0.00	0.00000	0.02
143.5 - 144.5	$446.72	$0.00	0.00000	0.02
144.5 - 145.5	$452.00	$0.00	0.00000	0.02
145.5 - 146.5	$470.72	$40.72	0.08651	0.02
146.5 - 147.5	$430.00	$4.83	0.01123	0.01

Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON

Observed Life Table
Retirement Expr. 2002 TO 2008
Placement Years 1856 TO 2008

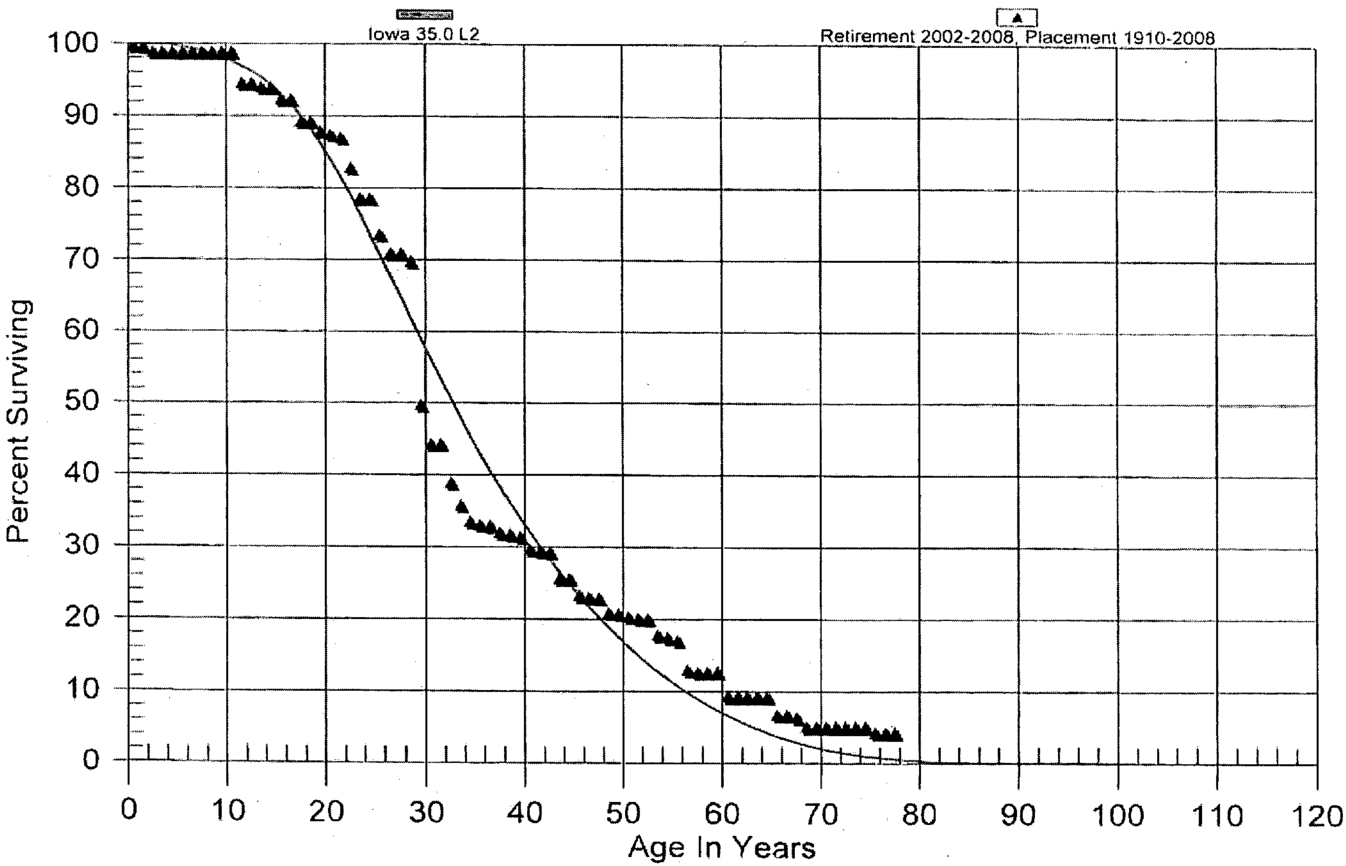
Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
147.5 - 148.5	$425.17	$17.11	0.04024	0.01
148.5 - 149.5	$408.06	$0.00	0.00000	0.01
149.5 - 150.5	$259.14	$0.00	0.00000	0.01
150.5 - 151.5	$2.06	$0.00	0.00000	0.01
151.5 - 152.5	$1.61	$0.00	0.00000	0.01

Rochester Gas & Electric

Gas Plant

378.10 MEAS. & REG. STATION EQUIP. - INSIDE

Original And Smooth Survivor Curves



Rochester Gas & Electric
Gas Plant
378.10 MEAS. & REG. STATION EQUIP. - INSIDE
Observed Life Table
Retirement Expr. 2002 TO 2008
Placement Years 1910 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$4,591,303.12	$14,078.03	0.00307	100.00
0.5 - 1.5	$3,281,495.64	$4,121.78	0.00126	99.69
1.5 - 2.5	$3,061,948.70	$22,641.75	0.00739	99.57
2.5 - 3.5	$2,299,469.63	$0.00	0.00000	98.83
3.5 - 4.5	$1,704,175.86	$0.00	0.00000	98.83
4.5 - 5.5	$1,470,930.14	$0.00	0.00000	98.83
5.5 - 6.5	$567,859.92	$0.00	0.00000	98.83
6.5 - 7.5	$294,491.35	$0.00	0.00000	98.83
7.5 - 8.5	$3,207,088.59	$0.00	0.00000	98.83
8.5 - 9.5	$3,219,009.71	$0.00	0.00000	98.83
9.5 - 10.5	$3,287,207.79	$0.00	0.00000	98.83
10.5 - 11.5	$3,293,593.76	$141,904.16	0.04308	98.83
11.5 - 12.5	$3,250,472.79	$0.00	0.00000	94.57
12.5 - 13.5	$3,594,056.44	$22,656.08	0.00630	94.57
13.5 - 14.5	$3,668,925.01	$0.00	0.00000	93.98
14.5 - 15.5	$850,546.66	$15,227.06	0.01790	93.98
15.5 - 16.5	$879,118.70	$0.00	0.00000	92.30
16.5 - 17.5	$1,068,163.98	$34,997.33	0.03276	92.30
17.5 - 18.5	$1,037,124.68	$344.74	0.00033	89.27
18.5 - 19.5	$1,409,481.82	$21,018.23	0.01491	89.24
19.5 - 20.5	$1,106,983.82	$5,929.63	0.00536	87.91
20.5 - 21.5	$1,081,667.13	$5,300.81	0.00490	87.44
21.5 - 22.5	$1,024,484.07	$48,732.87	0.04757	87.01
22.5 - 23.5	$926,622.76	$47,656.76	0.05143	82.87
23.5 - 24.5	$669,207.93	$0.00	0.00000	78.61
24.5 - 25.5	$743,824.89	$48,287.13	0.06492	78.61
25.5 - 26.5	$325,650.47	$11,666.59	0.03583	73.51
26.5 - 27.5	$319,667.99	$0.00	0.00000	70.87
27.5 - 28.5	$432,219.45	$6,579.67	0.01522	70.87
28.5 - 29.5	$506,664.41	$145,697.60	0.28756	69.79
29.5 - 30.5	$430,793.36	$47,334.01	0.10988	49.72
30.5 - 31.5	$424,440.29	$0.00	0.00000	44.26
31.5 - 32.5	$473,928.42	$56,891.19	0.12004	44.26
32.5 - 33.5	$486,957.97	$39,016.40	0.08013	38.95
33.5 - 34.5	$441,291.42	$27,863.38	0.06314	35.83
34.5 - 35.5	$346,555.17	$4,578.57	0.01321	33.56
35.5 - 36.5	$316,211.79	$1,382.86	0.00437	33.12

Rochester Gas & Electric

Gas Plant

378.10 MEAS. & REG. STATION EQUIP. - INSIDE

Observed Life Table

Retirement Expr. 2002 TO 2008
Placement Years 1910 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$320,238.50	$9,749.91	0.03045	32.98
37.5 - 38.5	$280,211.74	$1,764.49	0.00630	31.97
38.5 - 39.5	$298,798.36	$3,383.40	0.01132	31.77
39.5 - 40.5	$303,823.25	$17,183.74	0.05656	31.41
40.5 - 41.5	$310,634.77	$2,194.99	0.00707	29.63
41.5 - 42.5	$273,044.54	$1,154.05	0.00423	29.43
42.5 - 43.5	$264,769.86	$33,175.44	0.12530	29.30
43.5 - 44.5	$200,450.16	$112.56	0.00056	25.63
44.5 - 45.5	$173,185.69	$15,579.09	0.08996	25.62
45.5 - 46.5	$207,860.10	$2,463.43	0.01185	23.31
46.5 - 47.5	$128,553.24	$394.82	0.00307	23.03
47.5 - 48.5	$127,974.52	$11,564.69	0.09037	22.96
48.5 - 49.5	$135,118.96	$986.43	0.00730	20.89
49.5 - 50.5	$135,485.37	$2,530.35	0.01868	20.74
50.5 - 51.5	$161,929.64	$1,959.02	0.01210	20.35
51.5 - 52.5	$154,263.37	$323.27	0.00210	20.10
52.5 - 53.5	$71,027.34	$7,890.36	0.11109	20.06
53.5 - 54.5	$59,883.65	$1,162.35	0.01941	17.83
54.5 - 55.5	$50,636.27	$1,094.70	0.02162	17.49
55.5 - 56.5	$37,847.30	$9,091.49	0.24022	17.11
56.5 - 57.5	$27,114.65	$629.54	0.02322	13.00
57.5 - 58.5	$4,028.88	$0.00	0.00000	12.70
58.5 - 59.5	$2,147.12	$0.00	0.00000	12.70
59.5 - 60.5	$2,773.48	$741.95	0.26752	12.70
60.5 - 61.5	$2,031.53	$0.00	0.00000	9.30
61.5 - 62.5	$2,056.25	$0.00	0.00000	9.30
62.5 - 63.5	$1,047.39	$0.00	0.00000	9.30
63.5 - 64.5	$1,047.39	$0.00	0.00000	9.30
64.5 - 65.5	$1,107.76	$302.55	0.27312	9.30
65.5 - 66.5	$883.39	$0.00	0.00000	6.76
66.5 - 67.5	$424.49	$24.72	0.05823	6.76
67.5 - 68.5	$399.77	$80.46	0.20127	6.37
68.5 - 69.5	$319.31	$0.00	0.00000	5.09
69.5 - 70.5	$138.55	$0.00	0.00000	5.09
70.5 - 71.5	$161.82	$0.00	0.00000	5.09
71.5 - 72.5	$101.45	$0.00	0.00000	5.09
72.5 - 73.5	$146.66	$0.00	0.00000	5.09

Rochester Gas & Electric

Gas Plant

378.10 MEAS. & REG. STATION EQUIP. - INSIDE

Observed Life Table

Retirement Expr. 2002 TO 2008
Placement Years 1910 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
73.5 - 74.5	$146.66	$0.00	0.00000	5.09
74.5 - 75.5	$146.66	$23.27	0.15867	5.09
75.5 - 76.5	$123.39	$0.00	0.00000	4.28
76.5 - 77.5	$123.39	$0.00	0.00000	4.28

Rochester Gas & Electric

Gas Plant

378.11 MEAS & REG. STATION EQUIP. - OUTSIDE

Original And Smooth Survivor Curves

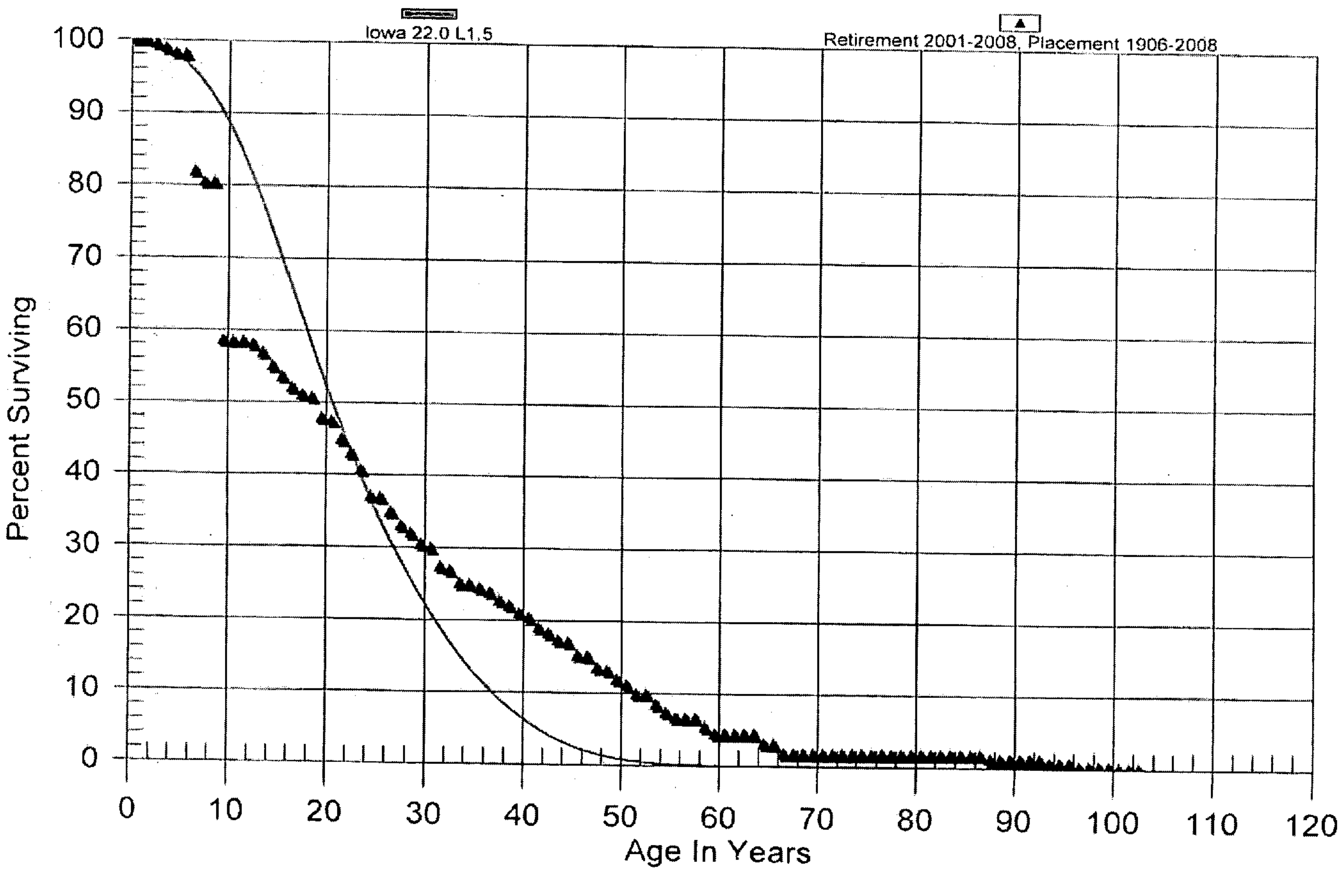


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Exhibit __ (RGEDEP-2)
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Rochester Gas & Electric
Gas Plant
378.11 MEAS & REG. STATION EQUIP. - OUTSIDE
Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1906 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$4,389,965.78	$0.00	0.00000	100.00
0.5 - 1.5	$4,552,958.09	$0.00	0.00000	100.00
1.5 - 2.5	$4,500,386.77	$20,164.13	0.00448	100.00
2.5 - 3.5	$4,146,648.02	$27,701.64	0.00668	99.55
3.5 - 4.5	$4,428,614.38	$26,837.93	0.00606	98.89
4.5 - 5.5	$4,411,668.93	$7,260.55	0.00165	98.29
5.5 - 6.5	$909,982.82	$149,165.75	0.16392	98.13
6.5 - 7.5	$1,003,013.94	$18,659.00	0.01860	82.04
7.5 - 8.5	$855,169.90	$0.00	0.00000	80.51
8.5 - 9.5	$1,129,419.31	$306,758.11	0.27161	80.51
9.5 - 10.5	$851,962.18	$3,000.00	0.00352	58.65
10.5 - 11.5	$906,617.11	$0.00	0.00000	58.44
11.5 - 12.5	$1,069,657.45	$6,890.98	0.00644	58.44
12.5 - 13.5	$1,168,613.67	$23,414.52	0.02004	58.06
13.5 - 14.5	$1,241,872.60	$40,318.21	0.03247	56.90
14.5 - 15.5	$961,718.46	$24,711.24	0.02569	55.05
15.5 - 16.5	$1,048,816.90	$29,597.47	0.02823	53.64
16.5 - 17.5	$909,203.04	$18,118.75	0.01993	52.12
17.5 - 18.5	$1,168,667.45	$7,753.13	0.00663	51.09
18.5 - 19.5	$1,057,597.37	$58,047.59	0.05489	50.75
19.5 - 20.5	$905,532.93	$7,558.12	0.00835	47.96
20.5 - 21.5	$851,982.36	$46,875.14	0.05502	47.56
21.5 - 22.5	$910,539.80	$38,867.44	0.04269	44.94
22.5 - 23.5	$980,207.87	$51,248.02	0.05228	43.03
23.5 - 24.5	$815,516.29	$73,455.59	0.09007	40.78
24.5 - 25.5	$681,652.52	$3,002.75	0.00441	37.10
25.5 - 26.5	$501,563.18	$27,493.50	0.05482	36.94
26.5 - 27.5	$471,366.30	$25,536.98	0.05418	34.91
27.5 - 28.5	$483,917.96	$15,331.44	0.03168	33.02
28.5 - 29.5	$474,382.16	$21,534.52	0.04539	31.98
29.5 - 30.5	$394,193.82	$6,781.69	0.01720	30.53
30.5 - 31.5	$461,263.07	$39,311.38	0.08523	30.00
31.5 - 32.5	$531,834.84	$10,415.12	0.01958	27.44
32.5 - 33.5	$535,097.93	$34,603.91	0.06466	26.91
33.5 - 34.5	$530,923.98	$2,983.06	0.00562	25.17
34.5 - 35.5	$582,242.62	$11,874.04	0.02039	25.02
35.5 - 36.5	$662,087.48	$16,108.25	0.02433	24.51

Rochester Gas & Electric
Gas Plant
378.11 MEAS & REG. STATION EQUIP. - OUTSIDE
Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1906 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$721,784.31	$33,609.09	0.04656	23.92
37.5 - 38.5	$756,555.34	$21,971.59	0.02904	22.80
38.5 - 39.5	$654,579.19	$30,852.47	0.04713	22.14
39.5 - 40.5	$590,337.32	$18,964.11	0.03212	21.10
40.5 - 41.5	$652,761.53	$43,283.35	0.06631	20.42
41.5 - 42.5	$664,165.94	$26,620.57	0.04008	19.07
42.5 - 43.5	$699,478.40	$35,161.66	0.05027	18.30
43.5 - 44.5	$654,276.98	$11,710.92	0.01790	17.38
44.5 - 45.5	$609,740.32	$64,648.73	0.10603	17.07
45.5 - 46.5	$624,214.30	$5,660.31	0.00907	15.26
46.5 - 47.5	$627,517.71	$67,398.20	0.10740	15.12
47.5 - 48.5	$777,049.36	$17,290.23	0.02225	13.50
48.5 - 49.5	$765,318.45	$71,996.87	0.09407	13.20
49.5 - 50.5	$668,609.62	$44,843.87	0.06707	11.96
50.5 - 51.5	$545,994.86	$58,127.44	0.10646	11.15
51.5 - 52.5	$443,551.02	$1,522.25	0.00343	9.97
52.5 - 53.5	$419,158.06	$58,173.71	0.13879	9.93
53.5 - 54.5	$290,062.98	$38,035.16	0.13113	8.55
54.5 - 55.5	$215,246.98	$20,484.24	0.09517	7.43
55.5 - 56.5	$50,594.35	$821.82	0.01624	6.73
56.5 - 57.5	$6,591.51	$0.00	0.00000	6.62
57.5 - 58.5	$2,959.82	$528.48	0.17855	6.62
58.5 - 59.5	$455.99	$78.67	0.17253	5.43
59.5 - 60.5	$269.14	$0.00	0.00000	4.50
60.5 - 61.5	$489.45	$0.00	0.00000	4.50
61.5 - 62.5	$428.31	$0.00	0.00000	4.50
62.5 - 63.5	$434.04	$0.00	0.00000	4.50
63.5 - 64.5	$601.78	$176.42	0.29316	4.50
64.5 - 65.5	$425.36	$5.73	0.01347	3.18
65.5 - 66.5	$451.10	$188.05	0.41687	3.14
66.5 - 67.5	$263.05	$0.00	0.00000	1.83
67.5 - 68.5	$263.05	$0.00	0.00000	1.83
68.5 - 69.5	$66.64	$0.00	0.00000	1.83
69.5 - 70.5	$70.35	$0.00	0.00000	1.83
70.5 - 71.5	$76.07	$0.00	0.00000	1.83
71.5 - 72.5	$76.07	$0.00	0.00000	1.83
72.5 - 73.5	$76.07	$0.00	0.00000	1.83

Rochester Gas & Electric
Gas Plant
378.11 MEAS & REG. STATION EQUIP. - OUTSIDE
Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1906 TO 2008

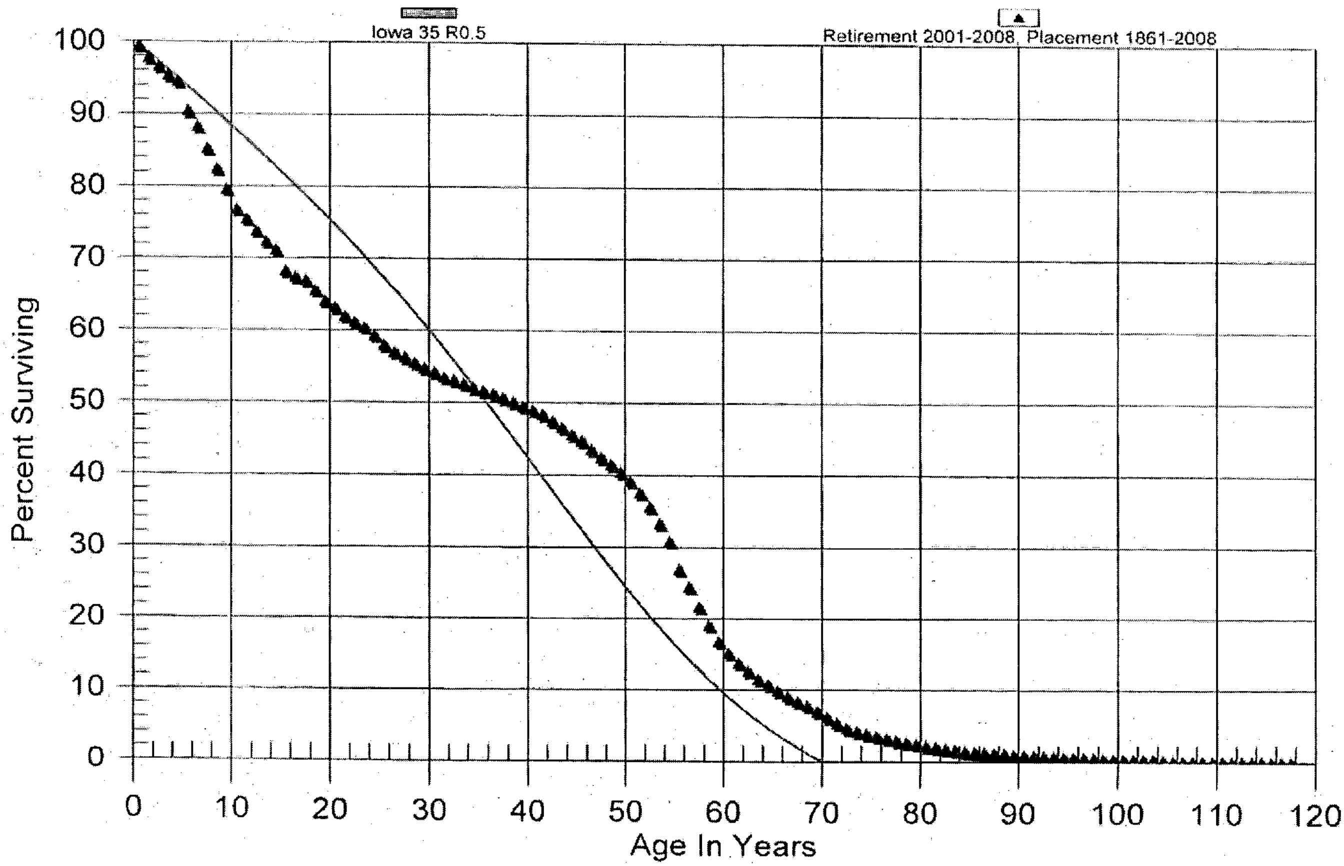
Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
73.5 - 74.5	$44.60	$0.00	0.00000	1.83
74.5 - 75.5	$44.60	$0.00	0.00000	1.83
75.5 - 76.5	$44.60	$0.00	0.00000	1.83
76.5 - 77.5	$44.60	$0.00	0.00000	1.83
77.5 - 78.5	$5.72	$0.00	0.00000	1.83
78.5 - 79.5	$0.00	$0.00	0.00000	1.83
79.5 - 80.5	$0.00	$0.00	0.00000	1.83
80.5 - 81.5	$0.00	$0.00	0.00000	1.83
81.5 - 82.5	$0.00	$0.00	0.00000	1.83
82.5 - 83.5	$0.00	$0.00	0.00000	1.83
83.5 - 84.5	$0.00	$0.00	0.00000	1.83
84.5 - 85.5	$0.00	$0.00	0.00000	1.83
85.5 - 86.5	$77.18	$0.00	0.00000	1.83
86.5 - 87.5	$367.26	$106.76	0.29069	1.83
87.5 - 88.5	$322.65	$0.00	0.00000	1.30
88.5 - 89.5	$322.65	$0.00	0.00000	1.30
89.5 - 90.5	$386.22	$0.00	0.00000	1.30
90.5 - 91.5	$1,353.12	$0.00	0.00000	1.30
91.5 - 92.5	$1,353.12	$40.00	0.02956	1.30
92.5 - 93.5	$1,313.12	$474.54	0.36138	1.26
93.5 - 94.5	$761.40	$0.00	0.00000	0.80
94.5 - 95.5	$650.18	$0.00	0.00000	0.80
95.5 - 96.5	$588.03	$340.64	0.57929	0.80
96.5 - 97.5	$247.39	$0.00	0.00000	0.34
97.5 - 98.5	$183.82	$0.00	0.00000	0.34
98.5 - 99.5	$32.10	$0.00	0.00000	0.34
99.5 - 100.5	$32.10	$21.40	0.66667	0.34
100.5 - 101.5	$10.70	$0.00	0.00000	0.11
101.5 - 102.5	$10.70	$0.00	0.00000	0.11

Rochester Gas & Electric

Gas Plant

380.10 SERVICES - STEEL

Original And Smooth Survivor Curves



Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1861 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$3,266,509.82	$19,685.30	0.00603	100.00
0.5 - 1.5	$3,446,235.77	$59,267.40	0.01720	99.40
1.5 - 2.5	$3,240,543.90	$44,391.01	0.01370	97.69
2.5 - 3.5	$2,804,995.88	$41,246.77	0.01470	96.35
3.5 - 4.5	$1,049,223.82	$26,407.16	0.02517	94.93
4.5 - 5.5	$930,111.82	$45,425.66	0.04884	92.54
5.5 - 6.5	$1,076,442.24	$28,609.38	0.02658	88.02
6.5 - 7.5	$1,164,326.25	$43,345.09	0.03723	85.68
7.5 - 8.5	$1,404,778.37	$50,549.08	0.03598	82.49
8.5 - 9.5	$1,638,217.43	$59,996.78	0.03662	79.53
9.5 - 10.5	$1,940,470.59	$70,913.89	0.03654	76.61
10.5 - 11.5	$2,074,263.24	$39,863.48	0.01922	73.81
11.5 - 12.5	$2,161,036.25	$47,109.34	0.02180	72.40
12.5 - 13.5	$2,086,651.11	$43,665.79	0.02093	70.82
13.5 - 14.5	$1,935,765.78	$34,256.48	0.01770	69.34
14.5 - 15.5	$1,525,453.75	$77,378.30	0.05072	68.11
15.5 - 16.5	$1,799,055.37	$20,505.17	0.01140	64.65
16.5 - 17.5	$1,758,359.55	$16,540.18	0.00941	63.92
17.5 - 18.5	$1,671,018.49	$39,989.66	0.02393	63.32
18.5 - 19.5	$2,006,183.71	$47,398.00	0.02363	61.80
19.5 - 20.5	$2,464,509.12	$32,744.49	0.01329	60.34
20.5 - 21.5	$3,269,693.10	$62,220.93	0.01903	59.54
21.5 - 22.5	$4,457,769.86	$54,882.42	0.01231	58.41
22.5 - 23.5	$4,811,242.72	$62,321.68	0.01295	57.69
23.5 - 24.5	$4,890,526.11	$89,629.45	0.01833	56.94
24.5 - 25.5	$4,933,520.13	$121,176.76	0.02456	55.90
25.5 - 26.5	$5,091,069.64	$87,824.30	0.01725	54.52
26.5 - 27.5	$5,660,707.57	$66,145.71	0.01169	53.58
27.5 - 28.5	$6,331,037.37	$94,312.39	0.01490	52.96
28.5 - 29.5	$6,413,786.31	$89,758.50	0.01399	52.17
29.5 - 30.5	$7,218,919.75	$77,492.18	0.01073	51.44
30.5 - 31.5	$8,454,019.26	$105,837.06	0.01252	50.88
31.5 - 32.5	$9,716,076.87	$75,766.74	0.00780	50.25
32.5 - 33.5	$10,510,514.73	$80,495.83	0.00766	49.86
33.5 - 34.5	$10,833,927.60	$110,370.49	0.01019	49.47
34.5 - 35.5	$10,653,046.16	$99,843.30	0.00920	45.97
35.5 - 36.5	$11,522,572.41	$102,098.05	0.00886	48.52

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1861 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$11,330,694.60	$110,429.79	0.00975	48.09
37.5 - 38.5	$11,221,098.08	$122,802.58	0.01094	47.62
38.5 - 39.5	$11,016,039.24	$137,345.95	0.01247	47.10
39.5 - 40.5	$11,187,700.53	$110,546.43	0.00988	46.51
40.5 - 41.5	$11,207,296.45	$144,912.27	0.01293	46.05
41.5 - 42.5	$10,976,255.19	$207,105.38	0.01887	45.46
42.5 - 43.5	$9,953,376.19	$199,091.09	0.02000	44.60
43.5 - 44.5	$9,102,149.55	$187,593.46	0.02061	43.71
44.5 - 45.5	$8,326,228.87	$157,688.66	0.01894	42.81
45.5 - 46.5	$7,731,876.66	$218,014.05	0.02820	42.00
46.5 - 47.5	$6,584,895.94	$165,617.17	0.02515	40.81
47.5 - 48.5	$5,395,472.09	$137,621.88	0.02551	39.79
48.5 - 49.5	$4,256,390.35	$116,187.55	0.02730	38.77
49.5 - 50.5	$3,311,031.77	$115,202.11	0.03479	37.71
50.5 - 51.5	$2,552,190.55	$122,619.56	0.04804	36.40
51.5 - 52.5	$1,800,941.04	$120,078.70	0.06668	34.65
52.5 - 53.5	$1,064,802.38	$77,384.53	0.07268	32.34
53.5 - 54.5	$624,541.69	$44,522.61	0.07129	29.99
54.5 - 55.5	$376,151.22	$43,813.29	0.11648	27.85
55.5 - 56.5	$225,997.79	$22,575.51	0.09989	24.61
56.5 - 57.5	$158,340.06	$18,044.73	0.11396	22.15
57.5 - 58.5	$102,131.95	$11,038.81	0.10808	19.63
58.5 - 59.5	$66,979.14	$6,854.13	0.10233	17.50
59.5 - 60.5	$48,331.43	$3,410.79	0.07057	15.71
60.5 - 61.5	$41,599.78	$3,776.35	0.09078	14.60
61.5 - 62.5	$34,790.14	$2,870.27	0.08250	13.28
62.5 - 63.5	$33,581.20	$3,010.87	0.08966	12.18
63.5 - 64.5	$32,545.31	$2,285.81	0.07023	11.09
64.5 - 65.5	$33,333.31	$2,791.95	0.08376	10.31
65.5 - 66.5	$29,275.62	$2,064.51	0.07052	9.45
66.5 - 67.5	$21,978.43	$1,541.50	0.07014	8.78
67.5 - 68.5	$16,603.33	$1,072.67	0.06461	8.17
68.5 - 69.5	$14,202.62	$765.19	0.05388	7.64
69.5 - 70.5	$13,322.91	$1,284.90	0.09644	7.23
70.5 - 71.5	$12,346.45	$1,382.70	0.11199	6.53
71.5 - 72.5	$12,661.76	$1,201.87	0.09492	5.80
72.5 - 73.5	$15,700.99	$1,376.72	0.08768	5.25

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL
Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1861 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
73.5 - 74.5	$22,350.09	$1,438.44	0.06436	4.79
74.5 - 75.5	$32,478.66	$2,550.60	0.07853	4.48
75.5 - 76.5	$37,763.62	$2,867.69	0.07594	4.13
76.5 - 77.5	$38,377.80	$3,184.57	0.08298	3.81
77.5 - 78.5	$38,330.97	$3,169.38	0.08268	3.50
78.5 - 79.5	$36,207.79	$2,567.34	0.07091	3.21
79.5 - 80.5	$33,553.87	$3,217.38	0.09589	2.98
80.5 - 81.5	$26,446.13	$2,281.99	0.08629	2.70
81.5 - 82.5	$19,183.84	$1,163.29	0.06064	2.46
82.5 - 83.5	$13,420.52	$845.40	0.06299	2.31
83.5 - 84.5	$11,820.22	$641.92	0.05431	2.17
84.5 - 85.5	$12,358.36	$451.34	0.03652	2.05
85.5 - 86.5	$13,917.62	$679.80	0.04884	1.98
86.5 - 87.5	$16,371.96	$1,129.65	0.06900	1.88
87.5 - 88.5	$18,199.86	$1,182.60	0.06498	1.75
88.5 - 89.5	$20,496.84	$1,613.11	0.07870	1.64
89.5 - 90.5	$22,087.32	$1,188.17	0.05379	1.51
90.5 - 91.5	$23,791.45	$1,563.91	0.06573	1.43
91.5 - 92.5	$21,613.48	$1,283.20	0.05937	1.33
92.5 - 93.5	$19,021.87	$1,378.69	0.07248	1.25
93.5 - 94.5	$17,322.36	$1,435.57	0.08287	1.16
94.5 - 95.5	$15,270.07	$796.61	0.05217	1.07
95.5 - 96.5	$13,098.95	$1,033.43	0.07889	1.01
96.5 - 97.5	$10,182.42	$815.24	0.08006	0.93
97.5 - 98.5	$12,449.91	$855.76	0.06874	0.86
98.5 - 99.5	$10,197.19	$544.71	0.05342	0.80
99.5 - 100.5	$8,870.28	$618.40	0.06972	0.75
100.5 - 101.5	$7,336.90	$310.34	0.04230	0.70
101.5 - 102.5	$6,214.02	$62.93	0.01013	0.67
102.5 - 103.5	$5,630.24	$75.15	0.01335	0.67
103.5 - 104.5	$5,344.96	$2,150.22	0.40229	0.66
104.5 - 105.5	$59.61	$0.84	0.01409	0.39
105.5 - 106.5	$58.77	$26.68	0.45397	0.39
106.5 - 107.5	$21.48	$0.00	0.00000	0.21
107.5 - 108.5	$171.24	$13.90	0.08117	0.21
108.5 - 109.5	$157.34	$0.00	0.00000	0.19
109.5 - 110.5	$157.34	$0.00	0.00000	0.19

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1861 TO 2007

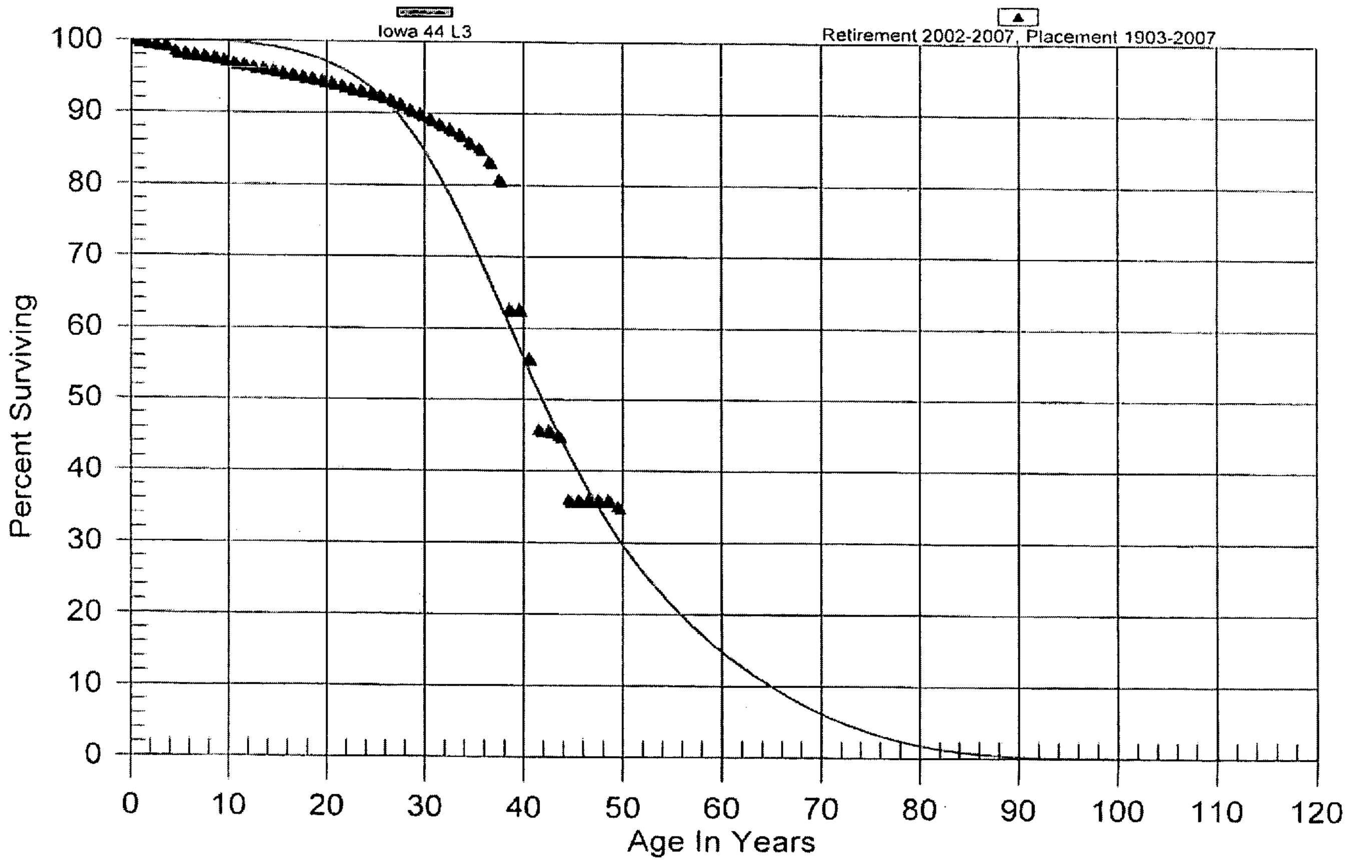
Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
110.5 - 111.5	$210.14	$18.53	0.08818	0.19
111.5 - 112.5	$184.03	$0.00	0.00000	0.18
112.5 - 113.5	$184.03	$0.00	0.00000	0.18
113.5 - 114.5	$184.03	$0.00	0.00000	0.18
114.5 - 115.5	$52.80	$0.00	0.00000	0.18
115.5 - 116.5	$52.80	$0.00	0.00000	0.18
116.5 - 117.5	$52.80	$0.00	0.00000	0.18
117.5 - 118.5	$0.00	$0.00	0.00000	0.18
118.5 - 119.5	$0.00	$0.00	0.00000	0.18
119.5 - 120.5	$0.00	$0.00	0.00000	0.18
120.5 - 121.5	$0.00	$0.00	0.00000	0.18
121.5 - 122.5	$0.00	$0.00	0.00000	0.18
122.5 - 123.5	$0.00	$0.00	0.00000	0.18
123.5 - 124.5	$0.00	$0.00	0.00000	0.18
124.5 - 125.5	$0.00	$0.00	0.00000	0.18
125.5 - 126.5	$0.00	$0.00	0.00000	0.18
126.5 - 127.5	$0.00	$0.00	0.00000	0.18
127.5 - 128.5	$0.00	$0.00	0.00000	0.18
128.5 - 129.5	$0.00	$0.00	0.00000	0.18
129.5 - 130.5	$0.00	$0.00	0.00000	0.18
130.5 - 131.5	$0.00	$0.00	0.00000	0.18
131.5 - 132.5	$0.00	$0.00	0.00000	0.18
132.5 - 133.5	$0.00	$0.00	0.00000	0.18
133.5 - 134.5	$0.00	$0.00	0.00000	0.18
134.5 - 135.5	$0.00	$0.00	0.00000	0.18
135.5 - 136.5	$0.00	$0.00	0.00000	0.18
136.5 - 137.5	$0.00	$0.00	0.00000	0.18
137.5 - 138.5	$0.00	$0.00	0.00000	0.18
138.5 - 139.5	$0.00	$0.00	0.00000	0.18
139.5 - 140.5	$187.07	$0.00	0.00000	0.18
140.5 - 141.5	$187.07	$0.00	0.00000	0.18
141.5 - 142.5	$187.07	$0.00	0.00000	0.18
142.5 - 143.5	$187.07	$185.35	0.99081	0.18
143.5 - 144.5	$1.72	$0.00	0.00000	0.00
144.5 - 145.5	$1.72	$0.00	0.00000	0.00
145.5 - 146.5	$1.72	$0.00	0.00000	0.00
146.5 - 147.5	$0.00	$0.00	0.00000	0.00

Rochester Gas & Electric

Gas Plant

380.20 SERVICES - PLASTIC

Original And Smooth Survivor Curves



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Rochester Gas & Electric

Gas Plant

380.20 SERVICES - PLASTIC

Observed Life Table

Retirement Expr. 2002 TO 2007
Placement Years 1903 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$50,026,219.24	$0.00	0.00000	100.00
0.5 - 1.5	$53,649,770.84	$98,438.71	0.00183	100.00
1.5 - 2.5	$47,827,196.85	$103,587.44	0.00217	99.82
2.5 - 3.5	$47,077,000.50	$68,127.93	0.00145	99.60
3.5 - 4.5	$49,720,452.80	$445,824.16	0.00897	99.46
4.5 - 5.5	$39,130,137.39	$89,371.76	0.00228	98.56
5.5 - 6.5	$30,256,544.93	$53,107.12	0.00176	98.34
6.5 - 7.5	$31,821,895.54	$62,545.74	0.00197	98.17
7.5 - 8.5	$31,649,728.02	$61,751.36	0.00195	97.97
8.5 - 9.5	$31,811,211.35	$127,102.92	0.00400	97.78
9.5 - 10.5	$31,037,606.81	$107,963.08	0.00348	97.39
10.5 - 11.5	$26,113,122.10	$54,814.94	0.00210	97.05
11.5 - 12.5	$33,249,473.08	$134,990.86	0.00406	96.85
12.5 - 13.5	$28,977,063.35	$45,160.12	0.00156	96.46
13.5 - 14.5	$33,772,249.02	$97,796.83	0.00290	96.31
14.5 - 15.5	$32,605,466.39	$134,036.04	0.00411	96.03
15.5 - 16.5	$29,830,191.40	$52,933.68	0.00177	95.63
16.5 - 17.5	$27,632,531.66	$91,019.22	0.00329	95.46
17.5 - 18.5	$23,157,528.81	$58,500.61	0.00253	95.15
18.5 - 19.5	$21,207,136.76	$71,348.88	0.00336	94.91
19.5 - 20.5	$18,172,970.95	$60,140.93	0.00331	94.59
20.5 - 21.5	$16,118,539.46	$70,642.46	0.00438	94.28
21.5 - 22.5	$14,829,900.63	$60,411.36	0.00407	93.86
22.5 - 23.5	$15,143,288.71	$41,635.25	0.00275	93.48
23.5 - 24.5	$14,435,120.60	$58,621.77	0.00406	93.22
24.5 - 25.5	$13,236,736.59	$59,014.50	0.00446	92.84
25.5 - 26.5	$12,836,605.99	$61,495.91	0.00479	92.43
26.5 - 27.5	$12,079,016.88	$83,252.80	0.00689	91.99
27.5 - 28.5	$11,469,305.39	$97,680.75	0.00852	91.35
28.5 - 29.5	$9,275,830.79	$59,092.03	0.00637	90.58
29.5 - 30.5	$7,628,597.45	$54,651.27	0.00716	90.00
30.5 - 31.5	$6,480,352.17	$51,155.37	0.00789	89.35
31.5 - 32.5	$4,914,977.07	$40,008.61	0.00814	88.65
32.5 - 33.5	$3,259,827.27	$28,979.63	0.00889	87.93
33.5 - 34.5	$1,757,125.91	$21,540.10	0.01226	87.15
34.5 - 35.5	$765,419.46	$7,394.33	0.00966	86.08
35.5 - 36.5	$312,082.20	$6,736.96	0.02159	85.25

Rochester Gas & Electric
Gas Plant
380.20 SERVICES - PLASTIC

Observed Life Table
Retirement Expr. 2002 TO 2007
Placement Years 1903 TO 2007

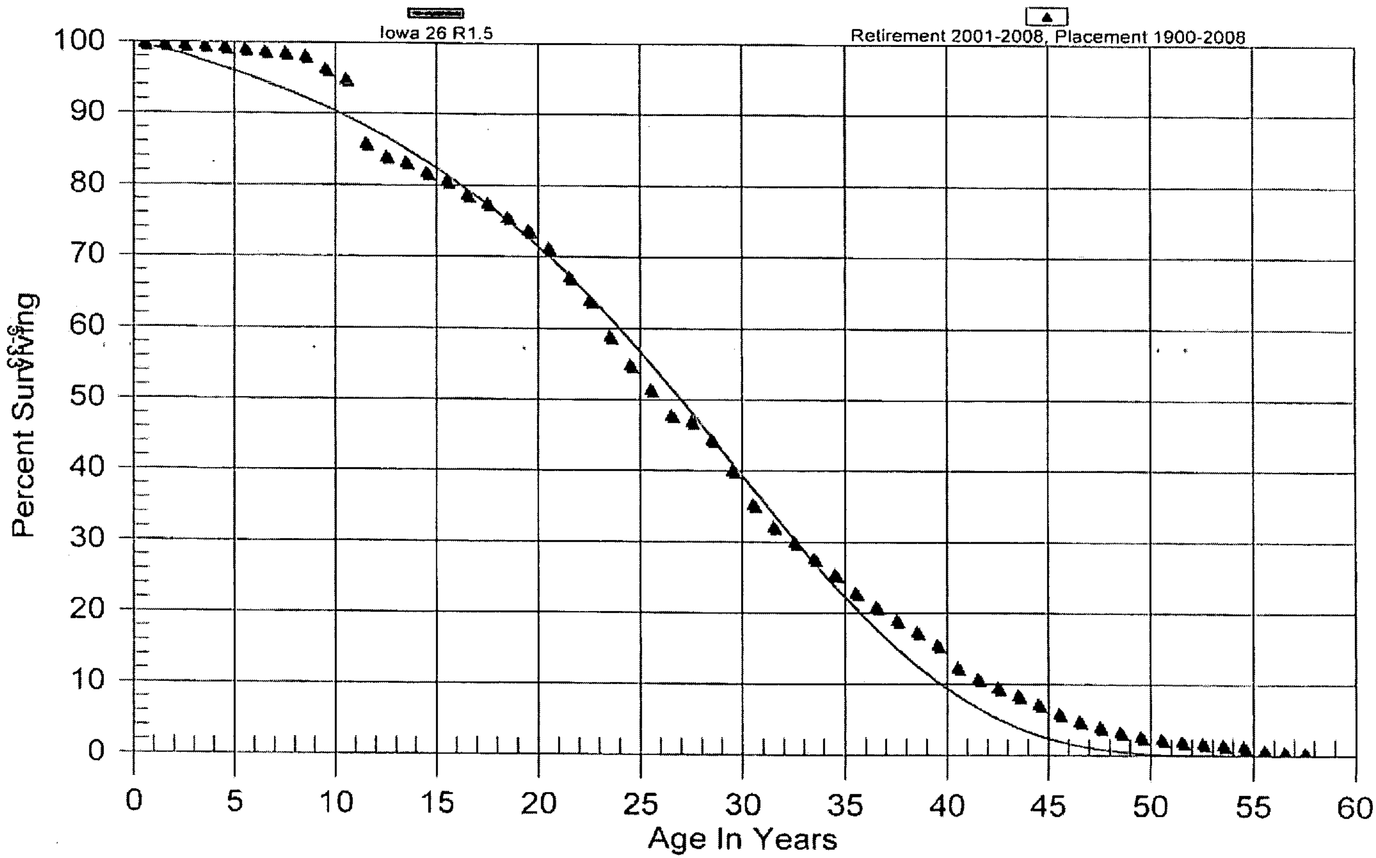
Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$40,364.75	$1,227.53	0.03041	83.41
37.5 - 38.5	$629.39	$140.96	0.22396	80.87
38.5 - 39.5	$610.06	$0.00	0.00000	62.76
39.5 - 40.5	$669.92	$73.44	0.10963	62.76
40.5 - 41.5	$596.48	$106.85	0.17913	55.88
41.5 - 42.5	$238.12	$0.81	0.00340	45.87
42.5 - 43.5	$181.49	$2.66	0.01466	45.71
43.5 - 44.5	$178.83	$35.94	0.20097	45.04
44.5 - 45.5	$1,583.22	$0.20	0.00013	35.99
45.5 - 46.5	$1,557.09	$0.00	0.00000	35.99
46.5 - 47.5	$1,559.89	$0.00	0.00000	35.99
47.5 - 48.5	$1,559.89	$0.00	0.00000	35.99
48.5 - 49.5	$1,559.89	$40.29	0.02583	35.99
49.5 - 50.5	$1,519.60	$2.01	0.00132	35.06
50.5 - 51.5	$2.80	$0.89	0.31786	35.01
51.5 - 52.5	$1.91	$0.10	0.05236	23.88
52.5 - 53.5	$0.00	$0.00	0.00000	22.63
53.5 - 54.5	$0.00	$0.00	0.00000	22.63
54.5 - 55.5	$0.00	$0.00	0.00000	22.63
55.5 - 56.5	$0.00	$0.00	0.00000	22.63
56.5 - 57.5	$0.00	$0.00	0.00000	22.63
57.5 - 58.5	$0.00	$0.00	0.00000	22.63
58.5 - 59.5	$0.00	$0.00	0.00000	22.63
59.5 - 60.5	$0.00	$0.00	0.00000	22.63
60.5 - 61.5	$0.00	$0.00	0.00000	22.63
61.5 - 62.5	$0.00	$0.00	0.00000	22.63
62.5 - 63.5	$0.00	$0.00	0.00000	22.63
63.5 - 64.5	$0.00	$0.00	0.00000	22.63
64.5 - 65.5	$0.00	$0.00	0.00000	22.63
65.5 - 66.5	$0.00	$0.00	0.00000	22.63
66.5 - 67.5	$0.00	$0.00	0.00000	22.63
67.5 - 68.5	$0.00	$0.00	0.00000	22.63
68.5 - 69.5	$0.00	$0.00	0.00000	22.63
69.5 - 70.5	$0.00	$0.00	0.00000	22.63
70.5 - 71.5	$0.00	$0.00	0.00000	22.63
71.5 - 72.5	$0.00	$0.00	0.00000	22.63
72.5 - 73.5	$0.00	$0.00	0.00000	22.63

Rochester Gas & Electric
Gas Plant
380.20 SERVICES - PLASTIC

Observed Life Table
Retirement Expr. 2002 TO 2007
Placement Years 1903 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
73.5 - 74.5	$0.00	$0.00	0.00000	22.63
74.5 - 75.5	$0.00	$0.00	0.00000	22.63
75.5 - 76.5	$0.00	$0.00	0.00000	22.63
76.5 - 77.5	$0.00	$0.00	0.00000	22.63
77.5 - 78.5	$0.00	$0.00	0.00000	22.63
78.5 - 79.5	$0.00	$0.00	0.00000	22.63
79.5 - 80.5	$0.00	$0.00	0.00000	22.63
80.5 - 81.5	$0.00	$0.00	0.00000	22.63
81.5 - 82.5	$0.00	$0.00	0.00000	22.63
82.5 - 83.5	$0.00	$0.00	0.00000	22.63
83.5 - 84.5	$0.00	$0.00	0.00000	22.63
84.5 - 85.5	$0.00	$0.00	0.00000	22.63
85.5 - 86.5	$0.00	$0.00	0.00000	22.63
86.5 - 87.5	$0.00	$0.00	0.00000	22.63
87.5 - 88.5	$0.00	$0.00	0.00000	22.63
88.5 - 89.5	$0.00	$0.00	0.00000	22.63
89.5 - 90.5	$0.00	$0.00	0.00000	22.63
90.5 - 91.5	$0.00	$0.00	0.00000	22.63
91.5 - 92.5	$0.00	$0.00	0.00000	22.63
92.5 - 93.5	$0.00	$0.00	0.00000	22.63
93.5 - 94.5	$0.00	$0.00	0.00000	22.63
94.5 - 95.5	$0.00	$0.00	0.00000	22.63
95.5 - 96.5	$0.00	$0.00	0.00000	22.63
96.5 - 97.5	$0.00	$0.00	0.00000	22.63
97.5 - 98.5	$0.00	$0.00	0.00000	22.63
98.5 - 99.5	$0.00	$0.00	0.00000	22.63
99.5 - 100.5	$0.00	$0.00	0.00000	22.63
100.5 - 101.5	$0.00	$0.00	0.00000	22.63
101.5 - 102.5	$0.00	$0.00	0.00000	22.63
102.5 - 103.5	$0.00	$0.00	0.00000	22.63
103.5 - 104.5	$0.00	$0.00	0.00000	22.63
104.5 - 105.5	$0.00	$0.00	0.00000	22.63

Rochester Gas & Electric
Gas Plant
381.00 METERS
Original And Smooth Survivor Curves



Rochester Gas & Electric
Gas Plant
381.00 METERS

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1900 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$6,402,789.79	$1,864.06	0.00029	100.00
0.5 - 1.5	$4,276,463.20	$4,927.57	0.00115	99.97
1.5 - 2.5	$4,265,105.94	$4,046.32	0.00095	99.86
2.5 - 3.5	$4,398,085.86	$3,911.27	0.00089	99.76
3.5 - 4.5	$5,349,345.66	$13,389.95	0.00250	99.67
4.5 - 5.5	$5,329,177.59	$13,385.47	0.00251	99.42
5.5 - 6.5	$5,192,081.12	$17,455.92	0.00336	99.17
6.5 - 7.5	$6,871,425.08	$17,128.75	0.00249	98.84
7.5 - 8.5	$7,545,378.65	$31,733.70	0.00421	98.59
8.5 - 9.5	$7,623,763.20	$143,331.59	0.01880	98.18
9.5 - 10.5	$8,013,284.84	$116,654.07	0.01456	96.33
10.5 - 11.5	$7,986,536.53	$752,846.03	0.09426	94.93
11.5 - 12.5	$6,504,769.21	$143,585.46	0.02207	85.98
12.5 - 13.5	$6,504,594.99	$58,261.00	0.00896	84.08
13.5 - 14.5	$5,641,094.92	$98,690.51	0.01749	83.33
14.5 - 15.5	$4,571,061.70	$64,037.23	0.01401	81.87
15.5 - 16.5	$4,795,726.82	$115,522.52	0.02409	80.73
16.5 - 17.5	$4,463,987.86	$67,487.99	0.01512	78.78
17.5 - 18.5	$3,570,432.38	$91,249.81	0.02556	77.59
18.5 - 19.5	$3,104,595.74	$74,672.57	0.02405	75.61
19.5 - 20.5	$3,079,387.92	$106,993.10	0.03474	73.79
20.5 - 21.5	$3,228,249.71	$181,327.41	0.05617	71.23
21.5 - 22.5	$3,133,003.69	$152,634.37	0.04872	67.22
22.5 - 23.5	$2,533,650.54	$195,693.21	0.07724	63.95
23.5 - 24.5	$2,105,609.74	$144,085.90	0.06843	59.01
24.5 - 25.5	$1,640,022.21	$102,775.90	0.06267	54.97
25.5 - 26.5	$1,587,769.79	$112,201.68	0.07067	51.53
26.5 - 27.5	$1,358,569.98	$24,948.69	0.01836	47.89
27.5 - 28.5	$936,462.04	$51,338.34	0.05482	47.01
28.5 - 29.5	$507,119.19	$49,445.68	0.09750	44.43
29.5 - 30.5	$457,707.79	$54,772.58	0.11967	40.10
30.5 - 31.5	$792,895.46	$69,273.21	0.08737	35.30
31.5 - 32.5	$1,245,271.70	$84,481.38	0.06784	32.22
32.5 - 33.5	$1,655,553.78	$125,857.84	0.07602	30.03
33.5 - 34.5	$1,948,382.54	$157,244.74	0.08071	27.75
34.5 - 35.5	$2,208,710.74	$222,820.25	0.10088	25.51
35.5 - 36.5	$2,285,898.79	$195,980.59	0.08573	22.93

Rochester Gas & Electric
Gas Plant
381.00 METERS

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1900 TO 2008

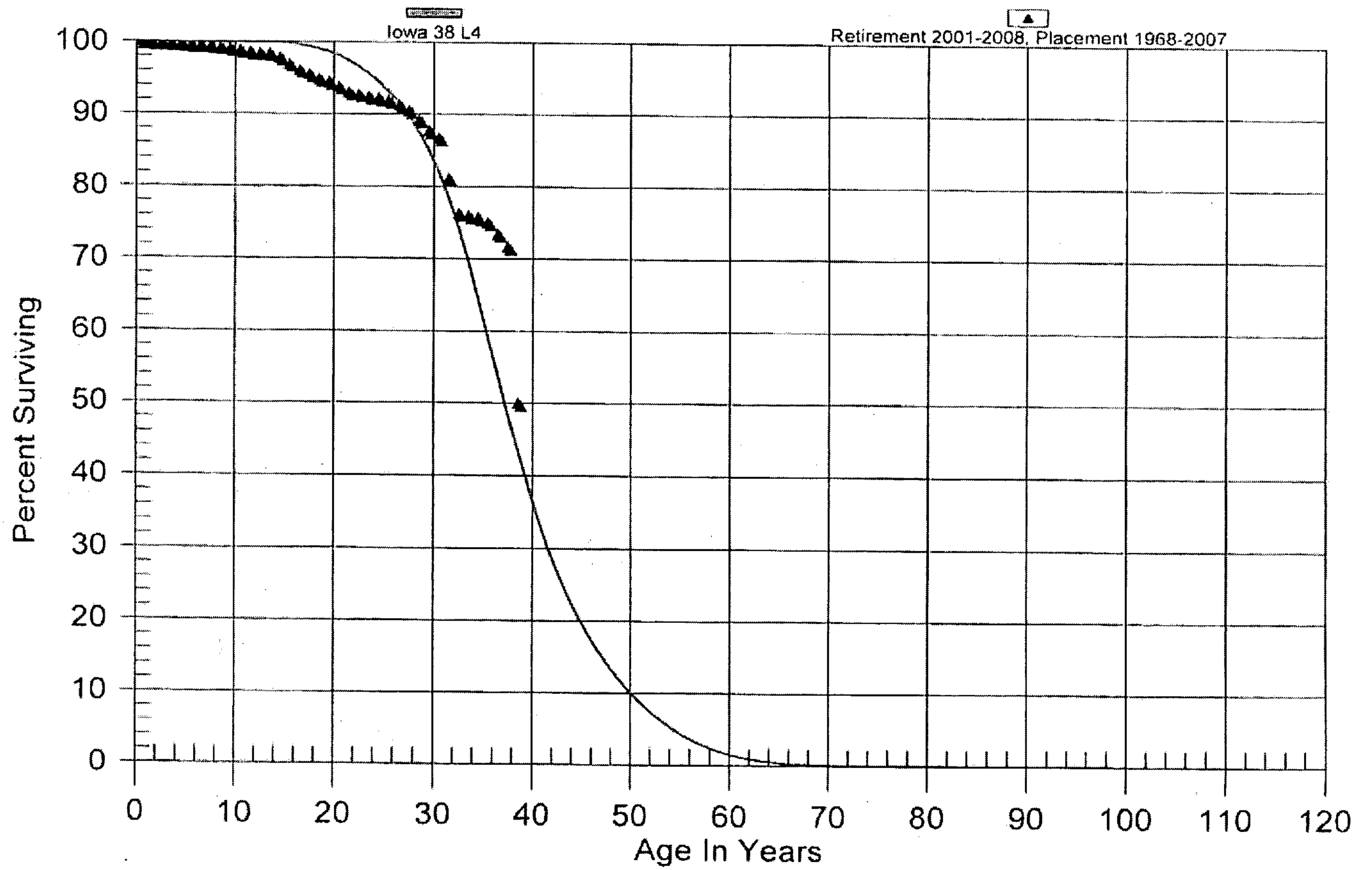
Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$2,427,453.81	$219,122.11	0.09027	20.97
37.5 - 38.5	$2,306,155.99	$200,822.36	0.08708	19.08
38.5 - 39.5	$1,960,135.60	$206,112.82	0.10515	17.41
39.5 - 40.5	$1,580,678.82	$317,560.05	0.20090	15.58
40.5 - 41.5	$1,132,422.77	$146,252.95	0.12915	12.45
41.5 - 42.5	$901,227.91	$102,273.49	0.11348	10.84
42.5 - 43.5	$741,658.24	$84,896.35	0.11447	9.61
43.5 - 44.5	$630,585.28	$92,975.68	0.14744	8.51
44.5 - 45.5	$586,684.57	$105,206.91	0.17932	7.26
45.5 - 46.5	$501,512.87	$88,809.16	0.17708	5.96
46.5 - 47.5	$430,730.75	$73,336.56	0.17026	4.90
47.5 - 48.5	$331,034.51	$55,451.18	0.16751	4.07
48.5 - 49.5	$245,815.76	$47,804.04	0.19447	3.39
49.5 - 50.5	$170,630.79	$21,186.36	0.12416	2.73
50.5 - 51.5	$130,621.96	$18,696.42	0.14313	2.39
51.5 - 52.5	$88,636.22	$9,695.27	0.10938	2.05
52.5 - 53.5	$26,689.31	$3,598.15	0.13482	1.82
53.5 - 54.5	$17,517.46	$2,364.79	0.13500	1.58
54.5 - 55.5	$953.37	$387.73	0.40669	1.36
55.5 - 56.5	$471.29	$145.24	0.30818	0.81
56.5 - 57.5	$355.79	$49.51	0.13916	0.56

Rochester Gas & Electric

Gas Plant

382.00 METER INSTALLATION

Original And Smooth Survivor Curves



Rochester Gas & Electric
Gas Plant
382.00 METER INSTALLATION

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1968 TO 2007

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$4,512,804.49	$2,514.60	0.00056	100.00
0.5 - 1.5	$6,108,749.61	$522.85	0.00009	99.94
1.5 - 2.5	$7,192,946.27	$1,109.16	0.00015	99.94
2.5 - 3.5	$7,877,713.56	$214.42	0.00003	99.92
3.5 - 4.5	$8,124,951.75	$8,548.02	0.00105	99.92
4.5 - 5.5	$7,167,526.98	$7,229.44	0.00101	99.81
5.5 - 6.5	$8,292,398.23	$471.32	0.00006	99.71
6.5 - 7.5	$8,880,341.21	$8,600.15	0.00097	99.71
7.5 - 8.5	$8,332,930.75	$5,289.10	0.00063	99.61
8.5 - 9.5	$7,702,525.72	$9,913.35	0.00129	99.55
9.5 - 10.5	$7,199,119.87	$7,919.58	0.00110	99.42
10.5 - 11.5	$6,959,086.96	$8,775.57	0.00126	99.31
11.5 - 12.5	$7,473,455.53	$214.02	0.00003	99.18
12.5 - 13.5	$7,444,659.59	$8,371.44	0.00112	99.18
13.5 - 14.5	$7,533,549.98	$44,355.81	0.00589	99.07
14.5 - 15.5	$6,934,812.10	$27,878.17	0.00402	98.49
15.5 - 16.5	$6,432,599.06	$22,436.87	0.00349	98.09
16.5 - 17.5	$6,007,305.38	$20,884.88	0.00348	97.75
17.5 - 18.5	$5,392,041.69	$13,007.43	0.00241	97.41
18.5 - 19.5	$4,792,419.92	$18,606.58	0.00388	97.17
19.5 - 20.5	$4,164,000.31	$26,738.82	0.00642	96.80
20.5 - 21.5	$3,861,160.16	$8,115.45	0.00210	96.17
21.5 - 22.5	$3,669,583.99	$6,749.23	0.00184	95.97
22.5 - 23.5	$3,193,957.90	$6,600.69	0.00207	95.80
23.5 - 24.5	$2,727,888.14	$3,697.55	0.00136	95.60
24.5 - 25.5	$2,307,072.42	$6,979.89	0.00303	95.47
25.5 - 26.5	$1,889,186.51	$11,658.56	0.00617	95.18
26.5 - 27.5	$1,679,824.39	$12,175.79	0.00725	94.59
27.5 - 28.5	$1,399,678.93	$17,659.30	0.01262	93.91
28.5 - 29.5	$1,182,835.15	$22,679.10	0.01917	92.72
29.5 - 30.5	$1,240,239.44	$0.00	0.00000	90.94
30.5 - 31.5	$1,464,666.62	$95,665.75	0.06532	90.94
31.5 - 32.5	$1,491,296.51	$88,982.37	0.05967	85.00
32.5 - 33.5	$1,250,213.45	$3,495.24	0.00280	79.93
33.5 - 34.5	$981,081.00	$2,999.38	0.00306	79.71
34.5 - 35.5	$702,258.09	$5,045.87	0.00719	79.46
35.5 - 36.5	$428,303.21	$5,385.87	0.01257	78.89

Rochester Gas & Electric
Gas Plant
382.00 METER INSTALLATION

Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1968 TO 2007

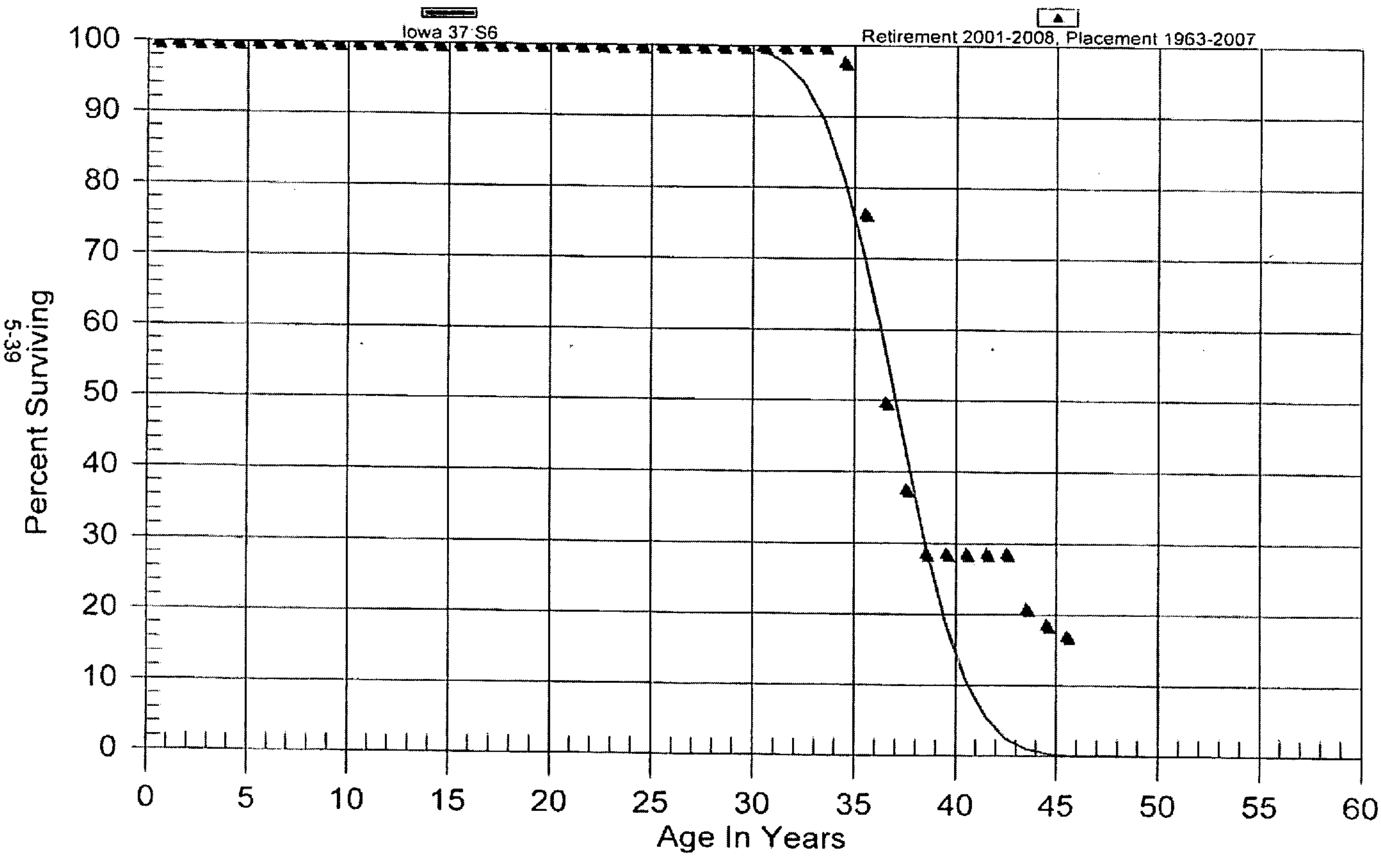
Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$165,816.22	$2,659.83	0.01604	77.90
37.5 - 38.5	$36,404.02	$28,245.33	0.77588	76.65

Rochester Gas & Electric

Gas Plant

383.10 HOUSE REGULATORS

Original And Smooth Survivor Curves



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Rochester Gas & Electric
Gas Plant
383.10 HOUSE REGULATORS

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1963 TO 2007

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$869,623.59	$0.00	0.00000	100.00
0.5 - 1.5	$1,108,478.04	$0.00	0.00000	100.00
1.5 - 2.5	$1,205,238.60	$778.84	0.00065	100.00
2.5 - 3.5	$1,522,623.30	$0.00	0.00000	99.94
3.5 - 4.5	$1,914,731.25	$0.00	0.00000	99.94
4.5 - 5.5	$1,797,937.62	$0.00	0.00000	99.94
5.5 - 6.5	$1,497,735.36	$0.00	0.00000	99.94
6.5 - 7.5	$1,643,146.73	$0.00	0.00000	99.94
7.5 - 8.5	$1,873,774.33	$0.00	0.00000	99.94
8.5 - 9.5	$1,716,852.04	$0.00	0.00000	99.94
9.5 - 10.5	$1,604,847.64	$0.00	0.00000	99.94
10.5 - 11.5	$1,479,322.43	$0.00	0.00000	99.94
11.5 - 12.5	$1,261,717.69	$0.00	0.00000	99.94
12.5 - 13.5	$1,234,889.11	$0.00	0.00000	99.94
13.5 - 14.5	$1,244,537.91	$0.00	0.00000	99.94
14.5 - 15.5	$1,189,063.09	$0.00	0.00000	99.94
15.5 - 16.5	$1,045,914.59	$0.00	0.00000	99.94
16.5 - 17.5	$1,094,127.55	$0.00	0.00000	99.94
17.5 - 18.5	$1,071,009.28	$0.00	0.00000	99.94
18.5 - 19.5	$997,050.90	$0.00	0.00000	99.94
19.5 - 20.5	$933,889.13	$0.00	0.00000	99.94
20.5 - 21.5	$870,826.70	$0.00	0.00000	99.94
21.5 - 22.5	$837,910.35	$0.00	0.00000	99.94
22.5 - 23.5	$813,983.46	$0.00	0.00000	99.94
23.5 - 24.5	$760,997.26	$0.00	0.00000	99.94
24.5 - 25.5	$658,240.57	$0.00	0.00000	99.94
25.5 - 26.5	$583,590.92	$0.00	0.00000	99.94
26.5 - 27.5	$537,942.52	$0.00	0.00000	99.94
27.5 - 28.5	$494,354.51	$0.00	0.00000	99.94
28.5 - 29.5	$456,561.49	$0.00	0.00000	99.94
29.5 - 30.5	$408,220.86	$0.00	0.00000	99.94
30.5 - 31.5	$391,901.60	$0.00	0.00000	99.94
31.5 - 32.5	$396,248.00	$0.00	0.00000	99.94
32.5 - 33.5	$410,848.69	$0.00	0.00000	99.94
33.5 - 34.5	$421,694.68	$9,430.41	0.02236	99.94
34.5 - 35.5	$385,367.96	$84,118.46	0.21828	97.70
35.5 - 36.5	$295,299.04	$102,642.62	0.34759	76.37

Rochester Gas & Electric
Gas Plant
383.10 HOUSE REGULATORS
Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1963 TO 2007

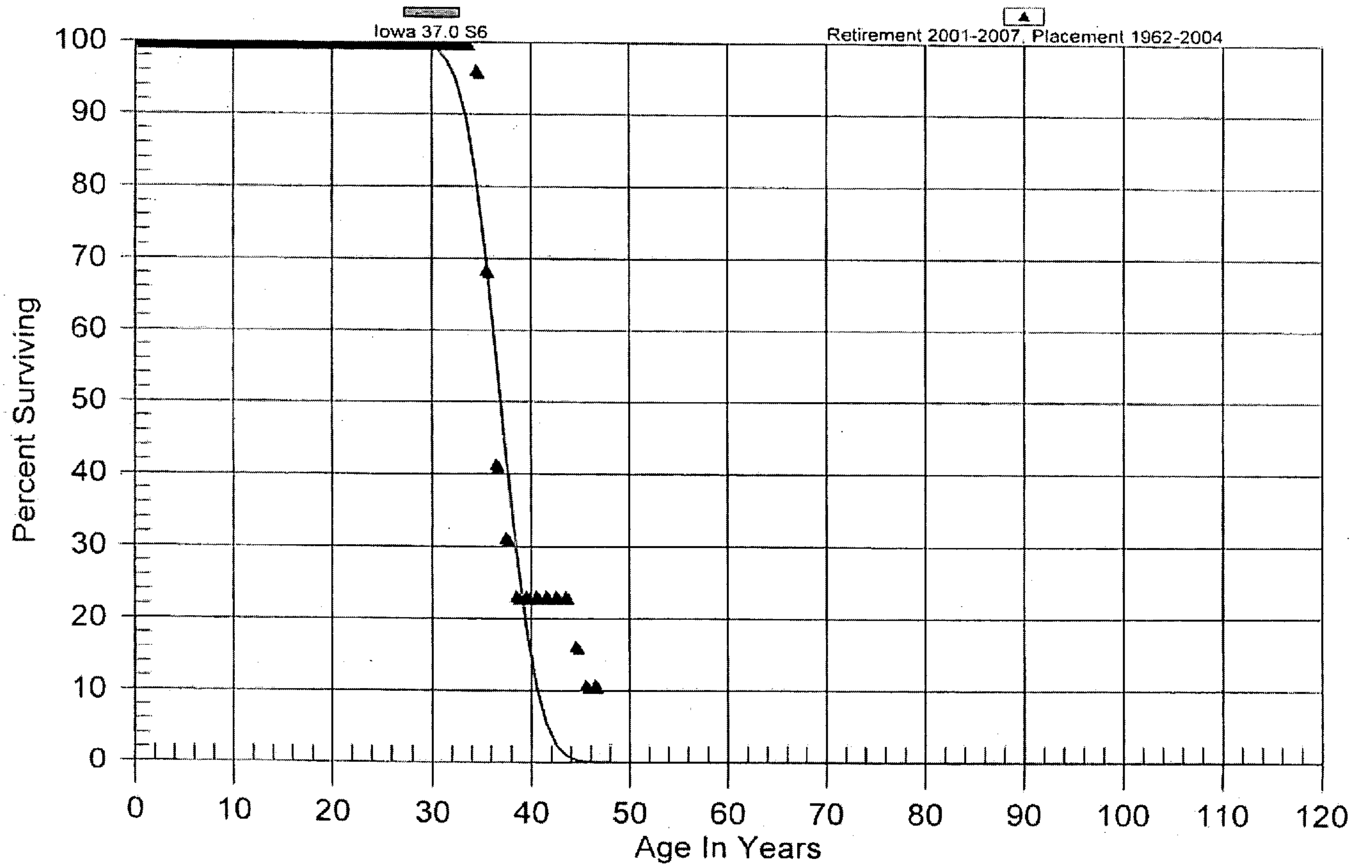
Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$191,153.66	$46,829.11	0.24498	49.83
37.5 - 38.5	$134,949.17	$32,239.28	0.23890	37.62
38.5 - 39.5	$53,019.45	$0.00	0.00000	28.63
39.5 - 40.5	$23,610.62	$0.00	0.00000	28.63
40.5 - 41.5	$22,857.22	$0.00	0.00000	28.63
41.5 - 42.5	$16,854.38	$0.00	0.00000	28.63
42.5 - 43.5	$13,602.08	$3,669.31	0.26976	28.63
43.5 - 44.5	$7,823.27	$834.34	0.10665	20.91
44.5 - 45.5	$3,196.35	$276.14	0.08639	18.68

Rochester Gas & Electric

Gas Plant

384.10 HOUSE REGULATOR INSTALLATIONS

Original And Smooth Survivor Curves



Rochester Gas & Electric
Gas Plant
384.10 HOUSE REGULATOR INSTALLATIONS
Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1962 TO 2004

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$4,019,201.66	$0.00	0.00000	100.00
0.5 - 1.5	$4,515,996.98	$0.00	0.00000	100.00
1.5 - 2.5	$4,690,953.59	$1,791.20	0.00038	100.00
2.5 - 3.5	$4,863,723.10	$0.00	0.00000	99.96
3.5 - 4.5	$4,061,762.88	$0.00	0.00000	99.96
4.5 - 5.5	$1,084,124.50	$0.00	0.00000	99.96
5.5 - 6.5	$1,223,281.73	$0.00	0.00000	99.96
6.5 - 7.5	$1,322,999.60	$0.00	0.00000	99.96
7.5 - 8.5	$1,084,197.57	$0.00	0.00000	99.96
8.5 - 9.5	$1,097,872.39	$0.00	0.00000	99.96
9.5 - 10.5	$1,090,313.92	$0.00	0.00000	99.96
10.5 - 11.5	$1,163,517.74	$0.00	0.00000	99.96
11.5 - 12.5	$1,279,693.94	$0.00	0.00000	99.96
12.5 - 13.5	$1,302,125.91	$0.00	0.00000	99.96
13.5 - 14.5	$1,343,060.76	$0.00	0.00000	99.96
14.5 - 15.5	$1,264,145.29	$0.00	0.00000	99.96
15.5 - 16.5	$1,293,890.94	$0.00	0.00000	99.96
16.5 - 17.5	$1,293,605.85	$0.00	0.00000	99.96
17.5 - 18.5	$1,258,025.10	$0.00	0.00000	99.96
18.5 - 19.5	$1,210,324.28	$0.00	0.00000	99.96
19.5 - 20.5	$1,246,065.03	$0.00	0.00000	99.96
20.5 - 21.5	$1,330,161.37	$0.00	0.00000	99.96
21.5 - 22.5	$1,337,281.20	$0.00	0.00000	99.96
22.5 - 23.5	$1,266,606.84	$0.00	0.00000	99.96
23.5 - 24.5	$1,165,318.17	$0.00	0.00000	99.96
24.5 - 25.5	$1,050,559.67	$0.00	0.00000	99.96
25.5 - 26.5	$954,166.46	$0.00	0.00000	99.96
26.5 - 27.5	$869,195.51	$0.00	0.00000	99.96
27.5 - 28.5	$786,345.56	$0.00	0.00000	99.96
28.5 - 29.5	$743,358.32	$0.00	0.00000	99.96
29.5 - 30.5	$758,025.96	$0.00	0.00000	99.96
30.5 - 31.5	$842,380.10	$0.00	0.00000	99.96
31.5 - 32.5	$959,901.27	$0.00	0.00000	99.96
32.5 - 33.5	$1,041,865.76	$0.00	0.00000	99.96
33.5 - 34.5	$1,094,477.17	$42,436.34	0.03877	99.96
34.5 - 35.5	$1,077,738.97	$310,426.74	0.28804	96.09
35.5 - 36.5	$797,720.45	$315,381.99	0.39535	68.41

Rochester Gas & Electric
Gas Plant
384.10 HOUSE REGULATOR INSTALLATIONS
Observed Life Table
Retirement Expr. 2001 TO 2007
Placement Years 1962 TO 2004

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$435,698.71	$107,243.28	0.24614	41.36
37.5 - 38.5	$276,904.71	$71,858.38	0.25951	31.18
38.5 - 39.5	$98,951.13	$0.00	0.00000	23.09
39.5 - 40.5	$96,125.72	$0.00	0.00000	23.09
40.5 - 41.5	$75,895.90	$0.00	0.00000	23.09
41.5 - 42.5	$64,081.05	$0.00	0.00000	23.09
42.5 - 43.5	$61,101.82	$0.00	0.00000	23.09
43.5 - 44.5	$52,416.49	$15,660.47	0.29877	23.09
44.5 - 45.5	$10,582.41	$3,560.91	0.33649	16.19
45.5 - 46.5	$0.00	$0.00	0.00000	10.74

Rochester Gas & Electric

Common Plant

390.00 STRUCUTRES & IMPROVEMENTS

Original And Smooth Survivor Curves

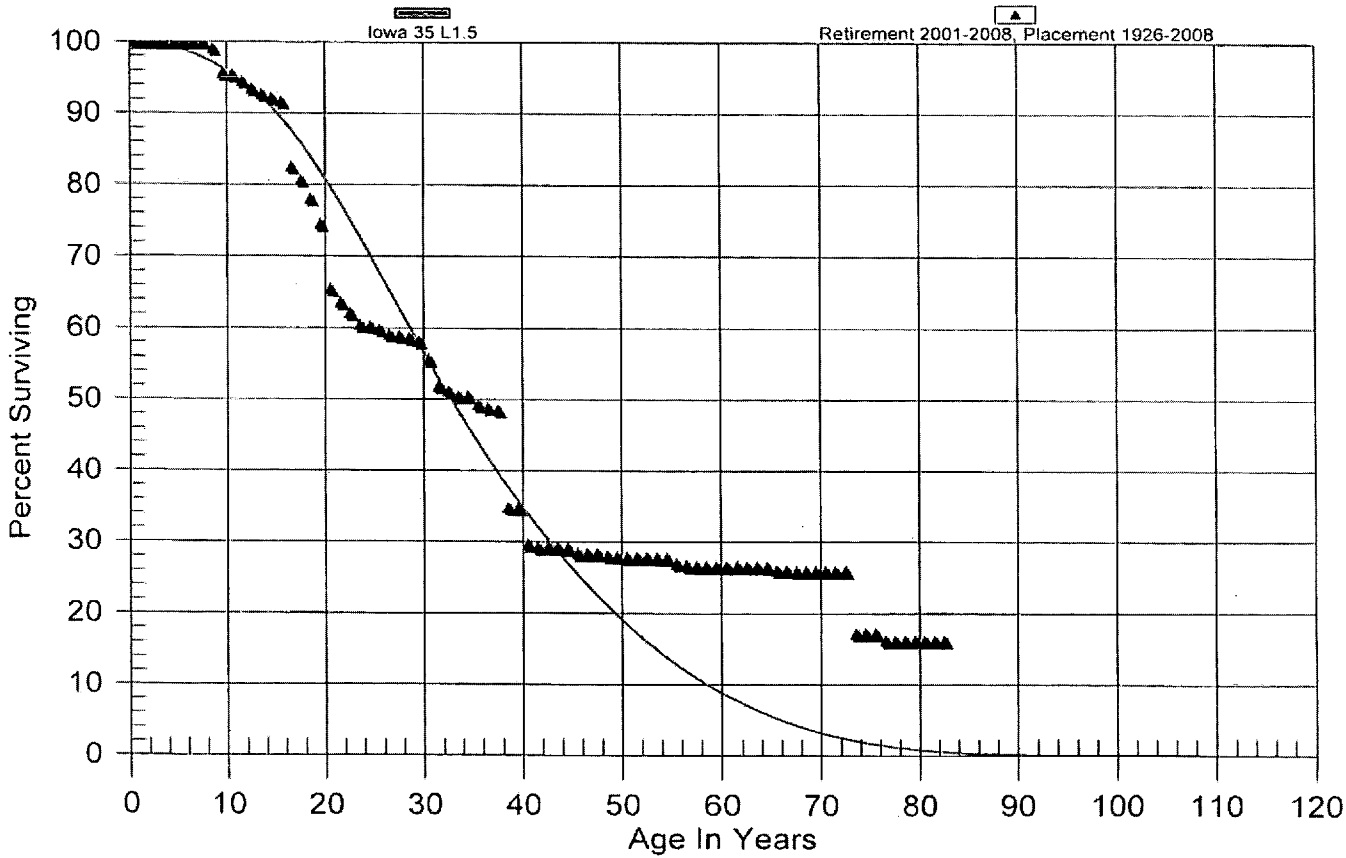


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Exhibit __ (RGEDEP-2)
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Rochester Gas & Electric

Common Plant

390.00 STRUCUTRES & IMPROVEMENTS

Observed Life Table

Retirement Expr. 2001 TO 2008
Placement Years 1926 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$5,317,773.92	$0.00	0.00000	100.00
0.5 - 1.5	$6,279,744.39	$1,164.79	0.00019	100.00
1.5 - 2.5	$6,741,503.58	$0.00	0.00000	99.98
2.5 - 3.5	$6,060,149.27	$2,661.69	0.00044	99.98
3.5 - 4.5	$4,667,752.77	$0.00	0.00000	99.94
4.5 - 5.5	$5,250,255.53	$0.00	0.00000	99.94
5.5 - 6.5	$5,397,815.22	$0.00	0.00000	99.94
6.5 - 7.5	$7,489,226.33	$0.00	0.00000	99.94
7.5 - 8.5	$9,243,911.81	$80,308.63	0.00869	99.94
8.5 - 9.5	$7,730,509.25	$270,488.35	0.03499	99.07
9.5 - 10.5	$7,399,445.45	$15,022.67	0.00203	95.60
10.5 - 11.5	$8,280,784.01	$77,259.41	0.00933	95.41
11.5 - 12.5	$8,902,934.89	$102,685.07	0.01153	94.52
12.5 - 13.5	$8,404,445.90	$65,218.42	0.00776	93.43
13.5 - 14.5	$8,335,102.89	$47,937.10	0.00575	92.70
14.5 - 15.5	$7,511,211.18	$41,557.84	0.00553	92.17
15.5 - 16.5	$6,844,960.64	$682,973.85	0.09978	91.66
16.5 - 17.5	$5,843,787.98	$130,903.33	0.02240	82.51
17.5 - 18.5	$5,555,184.64	$181,883.14	0.03274	80.67
18.5 - 19.5	$5,100,203.81	$229,645.79	0.04503	78.03
19.5 - 20.5	$4,360,407.45	$530,746.74	0.12172	74.51
20.5 - 21.5	$3,969,568.29	$113,024.29	0.02847	65.44
21.5 - 22.5	$4,828,642.85	$113,141.30	0.02343	63.58
22.5 - 23.5	$3,733,631.76	$97,234.25	0.02604	62.09
23.5 - 24.5	$2,854,567.56	$10,466.90	0.00367	60.47
24.5 - 25.5	$2,548,705.45	$18,861.66	0.00740	60.25
25.5 - 26.5	$2,146,470.62	$25,136.18	0.01171	59.80
26.5 - 27.5	$2,085,775.16	$6,137.82	0.00294	59.10
27.5 - 28.5	$1,970,197.06	$10,326.67	0.00524	58.93
28.5 - 29.5	$1,814,735.45	$15,397.01	0.00848	58.62
29.5 - 30.5	$848,941.61	$37,150.98	0.04376	58.12
30.5 - 31.5	$574,615.21	$38,500.08	0.06701	55.58
31.5 - 32.5	$410,876.49	$5,852.59	0.01424	51.86
32.5 - 33.5	$397,367.33	$5,238.66	0.01318	51.12
33.5 - 34.5	$425,792.70	$0.00	0.00000	50.44
34.5 - 35.5	$158,135.98	$3,799.63	0.02403	50.44
35.5 - 36.5	$306,991.33	$2,728.71	0.00889	49.23

Rochester Gas & Electric
Common Plant
390.00 STRUCUTRES & IMPROVEMENTS
Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1926 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
36.5 - 37.5	$679,205.22	$4,660.25	0.00686	48.79
37.5 - 38.5	$797,267.20	$224,853.41	0.28203	48.46
38.5 - 39.5	$3,202,123.86	$9,245.58	0.00289	34.79
39.5 - 40.5	$3,672,313.09	$539,016.16	0.14678	34.69
40.5 - 41.5	$3,188,948.21	$44,237.78	0.01387	29.60
41.5 - 42.5	$3,118,114.02	$816.93	0.00026	29.19
42.5 - 43.5	$3,120,131.37	$0.00	0.00000	29.18
43.5 - 44.5	$2,956,895.60	$15,153.79	0.00512	29.18
44.5 - 45.5	$2,882,407.51	$67,795.46	0.02352	29.03
45.5 - 46.5	$2,700,949.21	$0.00	0.00000	28.35
46.5 - 47.5	$704,011.73	$0.00	0.00000	28.35
47.5 - 48.5	$259,880.99	$3,150.91	0.01212	28.35
48.5 - 49.5	$251,106.47	$873.84	0.00348	28.01
49.5 - 50.5	$247,797.78	$763.60	0.00308	27.91
50.5 - 51.5	$234,604.76	$0.00	0.00000	27.82
51.5 - 52.5	$234,852.00	$146.00	0.00062	27.82
52.5 - 53.5	$153,041.11	$309.82	0.00202	27.80
53.5 - 54.5	$151,597.11	$302.06	0.00199	27.75
54.5 - 55.5	$136,753.67	$3,912.75	0.02861	27.69
55.5 - 56.5	$129,332.12	$1,105.07	0.00854	26.90
56.5 - 57.5	$55,186.03	$198.05	0.00359	26.67
57.5 - 58.5	$55,833.59	$0.00	0.00000	26.58
58.5 - 59.5	$55,226.06	$0.00	0.00000	26.58
59.5 - 60.5	$73,657.47	$0.00	0.00000	26.58
60.5 - 61.5	$39,907.22	$0.00	0.00000	26.58
61.5 - 62.5	$35,376.17	$0.00	0.00000	26.58
62.5 - 63.5	$35,022.96	$0.00	0.00000	26.58
63.5 - 64.5	$36,015.22	$188.94	0.00525	26.58
64.5 - 65.5	$35,519.75	$536.04	0.01509	26.44
65.5 - 66.5	$34,431.85	$0.00	0.00000	26.04
66.5 - 67.5	$29,277.41	$165.00	0.00564	26.04
67.5 - 68.5	$8,846.36	$0.00	0.00000	25.89
68.5 - 69.5	$8,569.33	$0.00	0.00000	25.89
69.5 - 70.5	$8,569.33	$0.00	0.00000	25.89
70.5 - 71.5	$585.00	$0.00	0.00000	25.89
71.5 - 72.5	$7,711.11	$0.00	0.00000	25.89
72.5 - 73.5	$7,972.40	$2,669.34	0.33482	25.89

Rochester Gas & Electric
Common Plant
390.00 STRUCUTRES & IMPROVEMENTS

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1926 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
73.5 - 74.5	$5,174.28	$0.00	0.00000	17.22
74.5 - 75.5	$988,609.90	$0.00	0.00000	17.22
75.5 - 76.5	$988,609.90	$56,653.39	0.05731	17.22
76.5 - 77.5	$931,956.51	$0.00	0.00000	16.23
77.5 - 78.5	$931,956.51	$0.00	0.00000	16.23
78.5 - 79.5	$931,956.51	$0.00	0.00000	16.23
79.5 - 80.5	$927,043.52	$0.00	0.00000	16.23
80.5 - 81.5	$926,782.23	$0.00	0.00000	16.23
81.5 - 82.5	$926,782.23	$0.00	0.00000	16.23

SECTION 6

Rochester Gas & Electric
Gas Plant
374.20 LAND RIGHTS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 75 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1903	16.67	0.00	0.00	1.00000	17
1905	8.33	0.00	0.00	1.00000	8
1906	729.00	0.00	0.00	1.00000	729
1907	313.35	0.00	0.00	1.00000	313
1908	26.92	0.00	0.00	1.00000	27
1909	29.12	0.00	0.00	1.00000	29
1910	3,257.13	0.00	0.00	1.00000	3,267
1911	148.54	0.00	0.00	1.00000	149
1912	171.39	0.00	0.00	1.00000	171
1913	2,142.40	0.00	0.00	1.00000	2,142
1914	2,128.90	0.00	0.00	1.00000	2,129
1915	422.55	0.00	0.00	1.00000	423
1916	168.71	0.00	0.00	1.00000	169
1917	6.84	0.00	0.00	1.00000	7
1922	219.54	0.00	0.00	1.00000	220
1923	439.64	0.00	0.00	1.00000	440
1924	180.79	0.00	0.00	1.00000	181
1925	250.65	0.00	0.00	1.00000	251
1926	1,170.63	0.00	0.00	1.00000	1,171
1927	1,535.77	0.00	0.00	1.00000	1,536
1928	449.66	0.00	0.00	1.00000	450
1929	4,252.23	0.00	0.00	1.00000	4,252
1930	117.14	0.00	0.00	1.00000	117
1931	918.30	0.00	0.00	1.00000	918
1932	75.00	0.00	0.00	1.00000	75
1933	1,484.40	0.00	0.00	1.00000	1,484
1934	7.96	0.50	75.00	0.99333	8
1935	149.94	1.50	75.00	0.98000	147

Rochester Gas & Electric
Gas Plant
374.20 LAND RIGHTS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 75 Survivor Curve: SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1936	258.39	2.50	75.00	0.96667	250
1937	732.81	3.50	75.00	0.95333	699
1938	63.75	4.50	75.00	0.94000	60
1939	420.35	5.50	75.00	0.92667	390
1940	208.52	6.50	75.00	0.91333	190
1941	446.82	7.50	75.00	0.90000	402
1942	5,641.42	8.50	75.00	0.88667	5,002
1945	22.90	11.50	75.00	0.84667	19
1946	1,477.08	12.50	75.00	0.83333	1,231
1947	367.70	13.50	75.00	0.82000	302
1948	1,357.48	14.50	75.00	0.80667	1,095
1949	48.12	15.50	75.00	0.79333	38
1950	931.56	16.50	75.00	0.78000	727
1951	16,719.26	17.50	75.00	0.76667	12,818
1952	2,151.29	18.50	75.00	0.75333	1,621
1953	1,170.52	19.50	75.00	0.74000	866
1954	8,379.69	20.50	75.00	0.72667	6,089
1955	21,750.71	21.50	75.00	0.71333	15,516
1956	2,186.70	22.50	75.00	0.70000	1,531
1957	3,006.20	23.50	75.00	0.68667	2,064
1958	4,909.31	24.50	75.00	0.67333	3,306
1959	10,448.15	25.50	75.00	0.66000	6,896
1960	17,683.58	26.50	75.00	0.64667	11,435
1961	35,438.74	27.50	75.00	0.63333	22,445
1962	47,174.94	28.50	75.00	0.62000	29,248
1963	70,794.61	29.50	75.00	0.60667	42,949
1964	65,632.58	30.50	75.00	0.59333	38,942
1965	63,689.34	31.50	75.00	0.58000	36,940

Rochester Gas & Electric
Gas Plant
374.20 LAND RIGHTS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 75 Survivor Curve: SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1966	53,666.55	32.50	75.00	0.56667	30,411
1967	56,431.85	33.50	75.00	0.55333	31,226
1968	58,531.64	34.50	75.00	0.54000	31,607
1969	61,913.15	35.50	75.00	0.52667	32,608
1970	65,245.38	36.50	75.00	0.51333	33,493
1971	114,329.87	37.50	75.00	0.50000	57,165
1972	67,699.82	38.50	75.00	0.48667	32,947
1973	63,581.82	39.50	75.00	0.47333	30,095
1974	165,969.12	40.50	75.00	0.46000	76,346
1975	68,769.89	41.50	75.00	0.44667	30,717
1976	97,584.77	42.50	75.00	0.43333	42,287
1977	96,620.18	43.50	75.00	0.42000	40,580
1978	121,272.64	44.50	75.00	0.40667	49,318
1979	130,299.71	45.50	75.00	0.39333	51,251
1980	138,868.13	46.50	75.00	0.38000	52,770
1981	176,782.40	47.50	75.00	0.36667	64,820
1982	161,277.63	48.50	75.00	0.35333	56,985
1983	168,164.81	49.50	75.00	0.34000	57,176
1984	168,059.17	50.50	75.00	0.32667	54,899
1985	218,801.15	51.50	75.00	0.31333	68,558
1986	187,456.40	52.50	75.00	0.30000	56,237
1987	210,356.47	53.50	75.00	0.28667	60,302
1988	222,546.09	54.50	75.00	0.27333	60,829
1989	388,307.23	55.50	75.00	0.26000	100,960
1990	398,118.96	56.50	75.00	0.24667	98,203
1991	418,827.37	57.50	75.00	0.23333	97,726
1992	290,740.25	58.50	75.00	0.22000	63,963
1993	296,206.03	59.50	75.00	0.20667	61,216

Rochester Gas & Electric
Gas Plant
374.20 LAND RIGHTS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 75 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1994	180,640.32	60.50	75.00	0.19333	34,924
1995	76,105.74	61.50	75.00	0.18000	13,699
1996	240,957.39	62.50	75.00	0.16667	40,160
1997	134,517.21	63.50	75.00	0.15333	20,626
1998	113,193.74	64.50	75.00	0.14000	15,847
1999	58,868.41	65.50	75.00	0.12667	7,457
2000	116,967.14	66.50	75.00	0.11333	13,256
2001	92,037.53	67.50	75.00	0.10000	9,204
2002	279,583.41	68.50	75.00	0.08667	24,231
2004	120,179.44	70.50	75.00	0.06000	7,211
2005	192,034.99	71.50	75.00	0.04667	8,962
2006	233,106.92	72.50	75.00	0.03333	7,770
2007	185,066.44	73.50	75.00	0.02000	3,701
2008	126,998.53	74.50	75.00	0.00667	847
Total	7,220,629.71				1,996,485.38

Rochester Gas & Electric

Gas Plant

375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2008

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
			1255 BLOSSOM ROAD		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1915	717.82	7.75	71.04	1.02447	736
1946	210.04	7.97	58.45	0.99327	209
1956	1,843.83	8.02	52.66	0.97479	1,798
1959	3,033.18	8.04	50.75	0.96781	2,936
1977	13,185.44	8.18	37.53	0.89936	11,859
Total	18,990.31				17,538
			1286 LONG POND ROAD		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1951	14,844.07	8.00	55.67	0.98483	14,619
1968	2,847.33	8.10	44.52	0.94088	2,679
Total	17,691.40				17,299
			610 PAUL ROAD		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1950	13,517.09	7.99	56.24	0.98664	13,337
1998	5,676.19	8.40	18.71	0.63405	3,599
Total	19,193.28				16,936

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
		LAKE CORNERS ROSE VALLEY ROAD			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2046					
2006	13,954.61	35.10	37.53	0.07433	1,038
Total	13,954.61				1,038
		TEMPLE ST & E MAIN STREET (AVON VILLAGE)			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2046					
2006	2,063.54	35.10	37.53	0.07433	154
Total	2,063.54				154
		SOUTH STREET & ELM STREET (LEROY VILLAGE)			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2046					
2006	4,127.00	35.10	37.53	0.07433	307
Total	4,127.00				307
		EAST AVENUE & E MAIN STREET (LEROY VILLAGE)			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2046					
2006	2,229.11	35.10	37.53	0.07433	166
Total	2,229.11				166

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
HOPE STREET & N MAIN STREET (PERRY VILLAGE)					
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2046					
2006	3,290.21	35.10	37.53	0.07433	245
Total	3,290.21				245
TEMPEST STREET & CHESTNUT STREET (PERRY VILLAGE)					
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2046					
1937	559.03	26.81	72.91	0.72712	407
2006	2,415.00	35.10	37.53	0.07433	180
Total	2,974.03				587
PERRY GATE STATION - RT 246					
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2043					
2003	25,105.18	32.22	37.53	0.16268	4,084
Total	25,105.18				4,084
PFAUDLER CO.					
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1961	8,675.37	8.05	49.43	0.96269	8,352

Rochester Gas & Electric

Gas Plant

375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2008

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
Total	8,675.37				8,352
		GM CORPORATION - 1000 LEXINGTON AVE			
Interim Survivor Curve: Iowa		*80 L1*			
Probable Retirement Year:		*2017*			
1938	1,085.65	7.92	62.44	1.00420	1,091
Total	1,085.65				1,091
		MT READ BLVD - REAR OF STATION 9			
Interim Survivor Curve: Iowa		*80 L1*			
Probable Retirement Year:		*2017*			
1969	2,125.59	8.10	43.78	0.93713	1,992
1970	1,864.92	8.11	43.03	0.93320	1,741
1974	555.86	8.15	39.94	0.91538	509
Total	4,546.37				4,243
		YORK GATE STATION - YORK ROAD			
Interim Survivor Curve: Iowa		*80 L1*			
Probable Retirement Year:		*2017*			
1950	1,022.03	7.99	56.24	0.98664	1,009
1963	4,117.33	8.06	48.07	0.95714	3,941
1989	942.31	8.31	27.14	0.79786	752
1993	1,603.70	8.35	23.45	0.74044	1,188
Total	7,685.37				6,891

Rochester Gas & Electric

Gas Plant

375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2008

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
			11819 WILSON STREET		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1963	7,740.49	8.06	48.07	0.95714	7,409
1971	1,944.54	8.12	42.27	0.92908	1,807
Total	9,685.03				9,216
			NYS ROUTE 318 (GAS ODORIZER)		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1963	21,707.76	8.06	48.07	0.95714	20,778
1969	697.80	8.10	43.78	0.93713	654
1972	4,555.51	8.13	41.50	0.92475	4,213
1987	2,142.00	8.29	28.94	0.82070	1,758
2008	915.90	8.46	8.96	0.06381	59
Total	30,018.97				27,463
			NORTH UNION STREET		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1953	2,662.86	8.01	54.49	0.98103	2,613
1960	1,486.41	8.05	50.10	0.96530	1,435
1965	234.23	8.07	46.68	0.95108	223
Total	4,383.50				4,271

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
			SOUTH AVENUE		
Interim Survivor Curve: Iowa		80 L1			
Probable Retirement Year:		2017			
1953	2,615.92	8.01	54.49	0.98103	2,567
1960	990.92	8.05	50.10	0.96530	957
1979	404.70	8.20	35.88	0.88715	360
Total	4,011.54				3,883
			WEST MAIN STREET		
Interim Survivor Curve: Iowa		80 L1			
Probable Retirement Year:		2017			
1951	4,627.18	8.00	55.67	0.98483	4,557
Total	4,627.18				4,557
			WHEATLAND CENTER ROAD		
Interim Survivor Curve: Iowa		80 L1			
Probable Retirement Year:		2029			
1951	2,901.50	17.61	61.97	0.82328	2,389
1956	9,238.18	17.76	59.50	0.80678	7,454
1962	863.64	17.93	56.24	0.78333	677
1970	625.65	18.19	51.40	0.74292	465
1973	567.59	18.32	49.43	0.72387	411
1982	340.67	18.77	43.03	0.64832	221
1985	2,000.53	18.94	40.73	0.61511	1,231
1989	8,346.29	19.18	37.53	0.56234	4,694

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
Total	24,884.05				17,543
		WINTON ROAD S AT WESTFALL ROAD			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1965	2,962.45	8.07	46.68	0.95108	2,818
Total	2,962.45				2,818
		PAVILION OPERATIONS CENTER			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1961	1,066.72	8.05	49.43	0.96269	1,027
Total	1,066.72				1,027
		GENESEE STREET AT SPRING STREET			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2025					
1947	385.67	14.53	61.97	0.88032	340
1985	3,902.34	15.53	37.53	0.67410	2,631
Total	4,288.01				2,971
		155 ROCHESTER STREET			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1915	31.66	7.75	71.04	1.02447	33
1927	91.00	7.84	67.06	1.01550	93
Total	122.66				126

PERRY ROAD (LONGS CORNER STATION)

Interim Survivor Curve: Iowa 80 L1
Probable Retirement Year: 2017

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1939	459.37	7.92	61.97	1.00298	461
Total	459.37				461

GILBERT STREET

Interim Survivor Curve: Iowa 80 L1
Probable Retirement Year: 2046

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1932	49.00	26.33	74.05	0.74105	37
2006	2,413.49	35.10	37.53	0.07433	180
Total	2,462.49				217

NORTH AVENUE

Interim Survivor Curve: Iowa 80 L1
Probable Retirement Year: 2017

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1907	81.15	7.69	73.15	1.02910	84
Total	81.15				84

Rochester Gas & Electric

Gas Plant

375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2008

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
ROBBINS ROAD AT NYS ROUTE 19					
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2032					
1940	369.23	19.27	67.80	0.82318	304
1969	4,130.51	20.42	53.89	0.71432	2,951
1992	3,030.99	21.92	37.53	0.47819	1,450
Total	7,530.73				4,705
LAKE STREET (REAR)					
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1955	590.66	8.02	53.28	0.97695	578
Total	590.66				578
ASBURY ROAD					
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1951	2,179.99	8.00	55.67	0.98483	2,147
Total	2,179.99				2,147
NYS ROUTE 20A (PERRY CENTER)					
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1937	345.49	7.91	62.90	1.00538	348

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
Total	345.49				348

NYS ROUTE 246 (PERRY CENTER)

Interim Survivor Curve: Iowa 80 L1
Probable Retirement Year: 2017

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1954	3,374.42	8.01	53.89	0.97902	3,304
Total	3,374.42				3,304

54 WATKINS AVENUE

Interim Survivor Curve: Iowa 80 L1
Probable Retirement Year: 2017

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1954	601.81	8.01	53.89	0.97902	590
Total	601.81				590

N CENTER STREET AT RITE AID PHARMACY

Interim Survivor Curve: Iowa 80 L1
Probable Retirement Year: 2017

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1910	70.20	7.71	72.41	1.02747	73
Total	70.20				73

CAMP ROAD - SILVER LAKE

Interim Survivor Curve: Iowa 80 L1
Probable Retirement Year: 2017

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1914	45.00	7.75	71.33	1.02510	47

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
Total	45.00				47
		83 S FEDERAL STREET			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1954	750.27	8.01	53.89	0.97902	735
Total	750.27				735
		NYS ROUTE 63 - W OF CALEDONIA ROAD			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1963	1,099.44	8.06	48.07	0.95714	1,053
Total	1,099.44				1,053
		RETSOF ROAD AT GENESEE STREET			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1963	847.98	8.06	48.07	0.95714	812
Total	847.98				812
		FARMAN STREET LOT			
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1948	942.75	7.98	57.36	0.99006	934

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
Total	942.75				934
			JEFFERSON STREET		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1931	145.00	7.87	65.49	1.01180	147
Total	145.00				147
			YORK ROAD W		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1952	751.17	8.00	55.09	0.98296	739
Total	751.17				739
			ODORIZER - NYS ROUTE 15 AT NYS ROUTE 390		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2029					
1989	108,781.44	19.18	37.53	0.56234	61,173
Total	108,781.44				61,173
			ALL LOCATIONS		
Interim Survivor Curve: Iowa 80 L1					
Probable Retirement Year: 2017					
1914	63.90	7.75	71.33	1.02510	66

Rochester Gas & Electric

Gas Plant

375.00 STRUCUTRES & IMPROVEMENTS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2008

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 %

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1940	123.74	7.93	61.49	1.00171	124
1942	689.88	7.94	60.51	0.99908	690
1950	463.29	7.99	56.24	0.98664	458
1963	5,919.20	8.06	48.07	0.95714	5,666
1964	8,930.36	8.07	47.38	0.95418	8,522
1966	9,384.69	8.08	45.97	0.94784	8,896
1967	893.24	8.09	45.25	0.94444	844
1968	6,972.66	8.10	44.52	0.94088	6,561
1969	395.71	8.10	43.78	0.93713	371
1974	4,744.03	8.15	39.94	0.91538	4,343
1989	1,934.20	8.31	27.14	0.79786	1,544
Total	40,514.90				38,084
Account Total	389,235.80				269,038.25

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -70 % Average Service Life: 67 Survivor Curve: R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1906	2,612.53	5.58	67.00	1.55836	4,071
1907	27,142.46	5.79	67.00	1.55297	42,151
1908	45.95	6.02	67.00	1.54734	71
1909	122,042.59	6.24	67.00	1.54155	188,134
1910	30,616.24	6.45	67.00	1.53628	47,035
1911	5,199.34	6.68	67.00	1.53042	7,957
1912	947.53	6.90	67.00	1.52501	1,445
1913	57,260.47	7.13	67.00	1.51906	86,982
1914	42,479.69	7.35	67.00	1.51350	64,293
1915	12,267.59	7.59	67.00	1.50744	18,493
1916	6,728.68	7.81	67.00	1.50173	10,105
1917	2,526.92	8.06	67.00	1.49555	3,779
1918	42.43	8.29	67.00	1.48966	63
1919	472.31	8.54	67.00	1.48335	701
1920	1,103.25	8.78	67.00	1.47726	1,630
1921	540.13	9.03	67.00	1.47076	794
1922	1,975.62	9.28	67.00	1.46442	2,893
1923	666.45	9.55	67.00	1.45770	971
1924	1,262.88	9.81	67.00	1.45106	1,833
1925	6,089.21	10.09	67.00	1.44404	8,793
1926	5,784.40	10.36	67.00	1.43703	8,312
1927	44,914.93	10.65	67.00	1.42966	64,213
1928	8,450.72	10.95	67.00	1.42222	12,019
1929	15,476.36	11.25	67.00	1.41444	21,890
1930	24,776.72	11.57	67.00	1.40651	34,849
1931	8,281.26	11.89	67.00	1.39824	11,579
1932	2,649.65	12.23	67.00	1.38976	3,682
1933	1,011.13	12.57	67.00	1.38096	1,396

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -70 % Average Service Life: 67 Survivor Curve: R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1934	6,568.04	12.93	67.00	1.37189	9,011
1935	3,601.98	13.30	67.00	1.36251	4,908
1936	11,720.27	13.68	67.00	1.35282	15,855
1937	34,647.93	14.08	67.00	1.34283	46,526
1938	100,673.50	14.48	67.00	1.33249	134,146
1939	9,263.22	14.90	67.00	1.32186	12,245
1940	14,383.23	15.34	67.00	1.31085	18,854
1941	49,766.79	15.78	67.00	1.29957	64,675
1942	60,774.89	16.24	67.00	1.28789	78,272
1943	2,375.05	16.71	67.00	1.27595	3,030
1944	2,548.44	17.20	67.00	1.26361	3,220
1945	7,664.99	17.70	67.00	1.25101	9,589
1946	115,608.25	18.21	67.00	1.23802	143,125
1947	81,782.65	18.73	67.00	1.22478	100,165
1948	213,302.81	19.27	67.00	1.21115	258,341
1949	299,044.11	19.81	67.00	1.19728	358,039
1950	992,881.28	20.37	67.00	1.18303	1,174,612
1951	1,520,310.45	20.94	67.00	1.16856	1,776,577
1952	443,323.80	21.53	67.00	1.15373	511,475
1953	376,983.94	22.12	67.00	1.13868	429,263
1954	1,206,021.72	22.73	67.00	1.12328	1,354,700
1955	2,525,577.15	23.34	67.00	1.10768	2,797,526
1956	928,433.01	23.97	67.00	1.09175	1,013,613
1957	1,198,264.52	24.61	67.00	1.07562	1,288,877
1958	1,784,842.68	25.26	67.00	1.05918	1,890,472
1959	3,798,749.78	25.91	67.00	1.04256	3,960,414
1960	2,950,948.29	26.58	67.00	1.02564	3,026,603
1961	2,374,641.48	27.25	67.00	1.00854	2,394,922

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -70 % Average Service Life: 67 Survivor Curve: R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1962	2,676,918.27	27.94	67.00	0.99116	2,653,263
1963	5,009,313.38	28.63	67.00	0.97362	4,877,150
1964	3,851,526.78	29.33	67.00	0.95580	3,681,304
1965	3,101,844.93	30.04	67.00	0.93783	2,908,995
1966	2,399,091.98	30.76	67.00	0.91960	2,206,202
1967	2,222,896.88	31.48	67.00	0.90121	2,003,299
1968	2,285,631.34	32.22	67.00	0.88258	2,017,259
1969	3,051,014.55	32.96	67.00	0.86380	2,635,466
1970	2,807,753.50	33.71	67.00	0.84479	2,371,955
1971	3,092,528.83	34.46	67.00	0.82562	2,553,266
1972	3,117,116.57	35.22	67.00	0.80624	2,513,148
1973	3,816,914.50	35.99	67.00	0.78671	3,002,805
1974	4,505,231.66	36.77	67.00	0.76697	3,455,373
1975	1,965,431.52	37.56	67.00	0.74708	1,468,340
1976	1,997,932.79	38.35	67.00	0.72705	1,452,597
1977	1,867,067.85	39.14	67.00	0.70676	1,319,575
1978	5,907,175.39	39.95	67.00	0.68639	4,054,638
1979	5,466,431.25	40.76	67.00	0.66578	3,639,425
1980	3,026,015.79	41.58	67.00	0.64508	1,952,017
1981	4,729,824.40	42.40	67.00	0.62415	2,952,106
1982	4,059,503.39	43.23	67.00	0.60313	2,448,417
1983	4,363,972.03	44.07	67.00	0.58190	2,539,379
1984	2,942,859.89	44.91	67.00	0.56058	1,649,702
1985	3,462,753.43	45.75	67.00	0.53905	1,866,595
1986	1,008,207.57	46.61	67.00	0.51744	521,687
1987	4,008,717.18	47.47	67.00	0.49563	1,986,844
1988	1,591,606.86	48.33	67.00	0.47374	754,013
1989	4,432,724.91	49.20	67.00	0.45167	2,002,117

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -70 % Average Service Life: 67 Survivor Curve: R2.5

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
1990	2,272,840.26	50.07	67.00	0.42951	976,218
1991	7,981,567.16	50.95	67.00	0.40718	3,249,973
1992	10,827,369.62	51.83	67.00	0.38478	4,166,163
1993	2,712,048.38	52.72	67.00	0.36221	982,334
1994	2,045,831.11	53.62	67.00	0.33957	694,701
1995	872,468.47	54.52	67.00	0.31677	276,374
1996	38,335.50	55.42	67.00	0.29391	11,267
1997	1,140,416.20	56.32	67.00	0.27090	308,937
1998	1,546,417.28	57.23	67.00	0.24782	383,238
1999	3,434,871.37	58.15	67.00	0.22462	771,524
2000	5,798,487.29	59.06	67.00	0.20134	1,167,491
2001	4,360,357.51	59.99	67.00	0.17795	775,924
2002	3,392,523.49	60.91	67.00	0.15450	524,132
2003	20,899,490.17	61.84	67.00	0.13093	2,736,355
2004	3,291,289.38	62.77	67.00	0.10731	353,176
2005	4,453,192.40	63.71	67.00	0.08358	372,193
2006	1,358,442.02	64.64	67.00	0.05980	81,234
2007	2,021,698.12	65.58	67.00	0.03592	72,627
2008	1,219,652.37	66.53	67.00	0.01200	14,635
Total	193,983,377.21				108,934,627.27

Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -70 % Average Service Life: 60 Survivor Curve: R4

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1975	952.00	27.59	60.00	0.91840	874
1976	27,616.00	28.47	60.00	0.89333	24,670
1977	76,661.97	29.36	60.00	0.86807	66,548
1978	403,098.27	30.27	60.00	0.84246	339,593
1979	481,952.02	31.18	60.00	0.81661	393,569
1980	440,013.50	32.10	60.00	0.79055	347,854
1981	609,916.28	33.02	60.00	0.76430	466,159
1982	685,209.22	33.96	60.00	0.73781	505,551
1983	1,090,493.96	34.90	60.00	0.71117	775,530
1984	2,197,350.70	35.85	60.00	0.68431	1,503,658
1985	2,320,153.15	36.80	60.00	0.65729	1,525,005
1986	783,520.06	37.76	60.00	0.63013	493,718
1987	4,254,499.63	38.72	60.00	0.60285	2,564,818
1988	2,432,594.93	39.69	60.00	0.57542	1,399,771
1989	2,773,684.60	40.66	60.00	0.54791	1,519,741
1990	2,155,036.83	41.64	60.00	0.52027	1,121,200
1991	4,932,916.54	42.62	60.00	0.49254	2,429,664
1992	4,247,401.16	43.60	60.00	0.46475	1,973,986
1993	2,487,328.82	44.58	60.00	0.43687	1,086,628
1994	3,728,439.27	45.57	60.00	0.40892	1,524,633
1995	1,870,820.10	46.56	60.00	0.38093	712,655
1996	18,903.55	47.55	60.00	0.35288	6,671
1997	3,276,206.12	48.54	60.00	0.32478	1,064,054
1998	1,907,609.28	49.53	60.00	0.29665	565,956
1999	10,014,367.24	50.52	60.00	0.26849	2,688,782
2000	20,058,401.75	51.52	60.00	0.24030	4,820,035
2001	6,685,986.77	52.51	60.00	0.21209	1,418,024
2002	7,428,749.66	53.51	60.00	0.18385	1,365,783

Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -70 % Average Service Life: 60 Survivor Curve: R4

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2003	10,176,354.02	54.51	60.00	0.15560	1,583,410
2004	412,990.88	55.51	60.00	0.12733	52,586
2005	5,137,085.10	56.50	60.00	0.09905	508,829
2006	10,607,208.02	57.50	60.00	0.07076	750,557
2007	7,517,390.42	58.50	60.00	0.04246	319,203
2008	3,267,898.58	59.50	60.00	0.01416	46,258
Total	124,509,010.40				35,965,973.87

Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: E+02 % Average Service Life: 62 Survivor Curve: L5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1856	1.61	0.00	0.00	2.00000	3
1857	0.45	0.00	0.00	2.00000	1
1858	257.08	0.00	0.00	2.00000	514
1859	148.92	0.00	0.00	2.00000	298
1866	1,011.91	0.00	0.00	2.00000	2,024
1869	917.56	0.00	0.00	2.00000	1,835
1870	4,582.20	0.00	0.00	2.00000	9,164
1871	1,530.67	0.00	0.00	2.00000	3,061
1880	5.29	0.00	0.00	2.00000	11
1881	343.91	0.00	0.00	2.00000	688
1882	73.84	0.00	0.00	2.00000	148
1884	530.59	0.00	0.00	2.00000	1,061
1885	31,001.81	0.00	0.00	2.00000	62,004
1886	701.49	0.00	0.00	2.00000	1,403
1888	3,026.65	0.00	0.00	2.00000	6,053
1889	3,261.84	0.00	0.00	2.00000	6,524
1890	1,167.80	0.50	62.00	1.98387	2,317
1891	1,251.07	1.37	62.00	1.95578	2,447
1892	545.09	1.10	62.00	1.96438	1,071
1893	9,267.69	1.20	62.00	1.96139	18,178
1894	1,070.14	1.41	62.00	1.95451	2,092
1895	5,320.24	1.50	62.00	1.95165	10,383
1896	1,164.94	1.60	62.00	1.94849	2,270
1897	2,971.93	1.72	62.00	1.94448	5,779
1898	621.40	1.80	62.00	1.94195	1,207
1899	23.63	1.95	62.00	1.93712	46
1900	6,719.06	2.01	62.00	1.93531	13,003
1901	3,765.88	2.10	62.00	1.93230	7,277

Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: E+02 % Average Service Life: 62 Survivor Curve: L5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1902	4,029.72	2.23	62.00	1.92794	7,769
1903	2,335.99	2.32	62.00	1.92516	4,497
1904	5,535.54	2.46	62.00	1.92051	10,631
1905	11,510.59	2.54	62.00	1.91797	22,077
1906	1,562.23	2.65	62.00	1.91467	2,991
1907	10,856.69	2.79	62.00	1.91012	20,738
1908	6,248.54	2.88	62.00	1.90704	11,916
1909	3,156.18	3.00	62.00	1.90335	6,007
1910	6,053.44	3.13	62.00	1.89894	11,495
1911	1,415.74	3.24	62.00	1.89542	2,683
1912	11,157.25	3.39	62.00	1.89070	21,095
1913	31,570.76	3.49	62.00	1.88726	59,582
1914	10,277.62	3.62	62.00	1.88330	19,356
1915	910.47	3.76	62.00	1.87858	1,710
1916	14,850.17	3.89	62.00	1.87468	27,839
1917	3,955.96	4.04	62.00	1.86965	7,396
1918	780.85	4.16	62.00	1.86574	1,457
1919	612.75	4.30	62.00	1.86137	1,141
1920	7,856.26	4.46	62.00	1.85625	14,583
1921	19,160.72	4.59	62.00	1.85184	35,483
1922	3,328.04	4.76	62.00	1.84640	6,145
1923	6,348.79	4.90	62.00	1.84191	11,694
1924	2,778.37	5.05	62.00	1.83699	5,104
1925	4,442.68	5.23	62.00	1.83135	8,136
1926	12,638.23	5.38	62.00	1.82631	23,081
1927	5,967.15	5.55	62.00	1.82090	10,866
1928	16,326.14	5.73	62.00	1.81504	29,633
1929	3,609.09	5.91	62.00	1.80950	6,531

Rochester Gas & Electric

Gas Plant

376.30 MAINS - CAST IRON

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2008

Based Upon Broud Group/Remaining Life Procedure and Technique

Salvage Value: E+02 % Average Service Life: 62 Survivor Curve: L5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1930	6,075.33	6.10	62.00	1.80334	10,956
1931	2,022.51	6.27	62.00	1.79777	3,636
1932	1,638.61	6.45	62.00	1.79203	2,936
1933	1,254.84	6.63	62.00	1.78601	2,241
1934	739.68	6.80	62.00	1.78065	1,317
1935	10,637.85	6.98	62.00	1.77495	18,882
1936	3,244.03	7.12	62.00	1.77041	5,743
1937	776.26	7.25	62.00	1.76617	1,371
1938	8,557.32	7.38	62.00	1.76191	15,077
1939	183.29	7.48	62.00	1.75884	322
1940	28.79	7.56	62.00	1.75599	51
1941	604.49	7.66	62.00	1.75306	1,060
1942	2,065.79	7.73	62.00	1.75067	3,617
1943	75.40	7.83	62.00	1.74756	132
1944	475.71	7.92	62.00	1.74464	830
1945	3,574.59	8.03	62.00	1.74081	6,223
1946	4,652.08	8.19	62.00	1.73586	8,075
1947	128,692.95	8.37	62.00	1.72996	222,634
1948	5,940.89	8.60	62.00	1.72264	10,234
1949	87,563.54	8.87	62.00	1.71389	150,074
1950	16,140.64	9.19	62.00	1.70350	27,496
1951	12,392.65	9.56	62.00	1.69162	20,964
1952	5,567.34	9.99	62.00	1.67782	9,341
1953	87.58	10.46	62.00	1.66267	146
1954	5,661.55	10.99	62.00	1.64543	9,316
1955	17,025.84	11.57	62.00	1.62669	27,696
1956	75,823.03	12.19	62.00	1.60679	121,832
1958	32,552.06	13.56	62.00	1.56253	50,864

Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: E+02 % Average Service Life: 62 Survivor Curve: L5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1960	3.11	15.05	62.00	1.51441	5
1961	1,896.78	15.83	62.00	1.48929	2,825
2006	23,525.04	59.50	62.00	0.08064	1,897
2007	87,715.11	60.50	62.00	0.04839	4,244
2008	4,304.78	61.50	62.00	0.01613	69
Total	842,060.13				1,294,600.10

Rochester Gas & Electric
Gas Plant
376.40 MAINS - VALVE GT 4 INCH
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: E+02 % Average Service Life: 50 Survivor Curve: R3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2005	13,175.41	46.57	50.00	0.13729	1,809
2006	93,768.77	47.54	50.00	0.09821	9,209
2007	204,166.95	48.52	50.00	0.05900	12,046
2008	35,727.27	49.51	50.00	0.01969	704
Total	346,838.40				23,767.67

Rochester Gas & Electric

Gas Plant

378.10 MEAS. & REG. STATION EQUIP. - INSIDE

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2008

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 % Average Service Life: 35 Survivor Curve: L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1910	87.19	0.00	0.00	1.15000	100
1913	52.13	0.82	35.00	1.12320	59
1936	78.18	4.94	35.00	0.98768	77
1937	60.37	5.14	35.00	0.98125	59
1939	180.76	5.54	35.00	0.96803	175
1942	458.90	6.15	35.00	0.94804	435
1946	1,270.08	7.00	35.00	0.92008	1,169
1949	135.09	7.66	35.00	0.89837	121
1950	1,881.76	7.88	35.00	0.89093	1,677
1951	22,456.23	8.11	35.00	0.88339	19,838
1952	1,641.16	8.35	35.00	0.87575	1,437
1953	13,706.30	8.58	35.00	0.86795	11,896
1954	8,085.03	8.82	35.00	0.86016	6,954
1955	3,253.33	9.06	35.00	0.85227	2,773
1956	83,321.59	9.30	35.00	0.84429	70,347
1957	7,944.81	9.55	35.00	0.83623	6,644
1958	3,667.80	9.80	35.00	0.82810	3,037
1959	1,450.67	10.05	35.00	0.81991	1,189
1960	2,887.53	10.30	35.00	0.81161	2,344
1961	8,592.20	10.55	35.00	0.80337	6,903
1962	82,055.78	10.80	35.00	0.79510	65,243
1963	35,598.44	11.05	35.00	0.78683	28,010
1964	36,083.15	11.30	35.00	0.77857	28,093
1965	45,839.92	11.56	35.00	0.77033	35,312
1966	9,502.95	11.80	35.00	0.76214	7,243
1967	39,200.29	12.05	35.00	0.75394	29,555
1968	1,721.94	12.30	35.00	0.74587	1,284
1969	73,760.05	12.54	35.00	0.73787	54,425

Rochester Gas & Electric
Gas Plant
378.10 MEAS. & REG. STATION EQUIP. - INSIDE
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 % *Average Service Life:* 35 *Survivor Curve:* L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1970	48,105.27	12.79	35.00	0.72992	35,113
1971	67,831.55	13.03	35.00	0.72202	48,975
1972	42,625.34	13.27	35.00	0.71415	30,441
1973	52,451.50	13.50	35.00	0.70629	37,046
1974	109,456.56	13.75	35.00	0.69836	76,440
1975	10,134.58	13.99	35.00	0.69044	6,997
1976	13,589.22	14.23	35.00	0.68240	9,273
1978	31,429.20	14.74	35.00	0.66575	20,924
1979	662.15	15.00	35.00	0.65701	435
1980	10,445.27	15.28	35.00	0.64788	6,767
1981	53,796.29	15.57	35.00	0.63828	34,337
1982	4,450.47	15.88	35.00	0.62813	2,795
1983	430,810.52	16.21	35.00	0.61731	265,944
1984	71,080.64	16.56	35.00	0.60574	43,056
1985	247,766.94	16.94	35.00	0.59330	147,001
1986	49,790.59	17.35	35.00	0.57990	28,874
1987	73,994.11	17.79	35.00	0.56544	41,839
1988	121,470.48	18.26	35.00	0.54988	66,794
1989	285,930.24	18.78	35.00	0.53299	152,399
1990	104,928.41	19.33	35.00	0.51478	54,015
1991	112,516.86	19.93	35.00	0.49519	55,717
1992	68,198.08	20.57	35.00	0.47420	32,340
1993	11,921.12	21.25	35.00	0.45183	5,386
1994	2,913,390.69	21.97	35.00	0.42813	1,247,317
1995	24,290.57	22.73	35.00	0.40330	9,796
1997	6,145.22	24.33	35.00	0.35053	2,154
1998	121,357.95	25.17	35.00	0.32308	39,208
2001	793.45	27.78	35.00	0.23706	188

Rochester Gas & Electric
Gas Plant
378.10 MEAS. & REG. STATION EQUIP. - INSIDE
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 % Average Service Life: 35 Survivor Curve: L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2002	439,563.30	28.69	35.00	0.20718	91,069
2003	903,070.22	29.62	35.00	0.17663	159,510
2004	239,390.94	30.57	35.00	0.14550	34,831
2005	716,651.72	31.54	35.00	0.11383	81,574
2006	739,837.32	32.51	35.00	0.08169	60,437
2007	215,425.16	33.50	35.00	0.04918	10,595
2008	1,296,522.90	34.50	35.00	0.01642	21,293
Total	10,124,798.46				3,347,279.88

Rochester Gas & Electric
Gas Plant
378.11 MEAS & REG. STATION EQUIP. - OUTSIDE
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 22 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1906	10.70	0.00	0.00	1.20000	13
1910	151.72	0.00	0.00	1.20000	182
1911	63.57	0.00	0.00	1.20000	76
1913	62.15	0.00	0.00	1.20000	75
1914	143.32	0.00	0.00	1.20000	172
1915	77.18	0.00	0.00	1.20000	93
1930	5.72	0.00	0.00	1.20000	7
1931	38.88	0.00	0.00	1.20000	47
1935	31.47	0.00	0.00	1.20000	38
1939	35.17	0.00	0.00	1.20000	42
1940	196.41	0.50	22.00	1.17273	230
1947	269.14	1.58	22.00	1.11401	300
1949	108.18	1.88	22.00	1.09740	119
1950	2,054.02	2.04	22.00	1.08897	2,237
1951	3,631.69	2.18	22.00	1.08105	3,926
1952	43,181.02	2.33	22.00	1.07300	46,333
1953	144,168.39	2.47	22.00	1.06531	153,584
1954	36,780.84	2.62	22.00	1.05732	38,889
1955	71,190.51	2.76	22.00	1.04957	74,719
1956	23,773.46	2.91	22.00	1.04138	24,757
1957	44,429.39	3.06	22.00	1.03333	45,910
1958	80,200.61	3.21	22.00	1.02478	82,188
1959	33,225.80	3.37	22.00	1.01633	33,768
1960	63,857.66	3.53	22.00	1.00752	64,486
1961	17,401.11	3.70	22.00	0.99837	17,373
1962	52,569.60	3.87	22.00	0.98910	51,997
1963	61,639.89	4.04	22.00	0.97947	60,374
1964	93,494.14	4.22	22.00	0.96973	90,664

Rochester Gas & Electric
Gas Plant
378.11 MEAS & REG. STATION EQUIP. - OUTSIDE
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 22 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1965	77,114.73	4.41	22.00	0.95960	73,999
1966	56,766.34	4.60	22.00	0.94937	53,892
1967	38,722.83	4.79	22.00	0.93874	36,351
1968	20,551.92	4.99	22.00	0.92800	19,072
1969	89,269.02	5.19	22.00	0.91684	81,846
1970	161,842.95	5.40	22.00	0.90558	146,561
1971	58,444.80	5.61	22.00	0.89398	52,248
1972	58,883.99	5.83	22.00	0.88204	51,938
1973	23,865.00	6.05	22.00	0.86989	20,760
1974	1,858.95	6.28	22.00	0.85738	1,594
1975	32,304.79	6.51	22.00	0.84467	27,287
1976	6,873.81	6.75	22.00	0.83162	5,716
1977	15,962.87	7.00	22.00	0.81838	13,064
1978	99,301.27	7.24	22.00	0.80484	79,921
1979	127,508.74	7.50	22.00	0.79116	100,880
1980	67,662.28	7.75	22.00	0.77723	52,589
1981	27,167.54	8.01	22.00	0.76325	20,736
1982	4,950.25	8.27	22.00	0.74913	3,708
1983	247,617.74	8.53	22.00	0.73489	181,971
1984	71,583.92	8.79	22.00	0.72061	51,584
1985	129,406.43	9.05	22.00	0.70623	91,390
1986	5,690.39	9.32	22.00	0.69178	3,936
1987	73,241.26	9.59	22.00	0.67712	49,593
1988	154,232.48	9.86	22.00	0.66225	102,141
1989	125,553.66	10.14	22.00	0.64696	81,228
1990	158,569.90	10.43	22.00	0.63114	100,080
1991	22,762.95	10.73	22.00	0.61455	13,989
1992	276,088.17	11.06	22.00	0.59698	164,819

Rochester Gas & Electric
Gas Plant
378.11 MEAS & REG. STATION EQUIP. - OUTSIDE
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 22 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1993	75,595.60	11.40	22.00	0.57815	43,706
1994	257,393.65	11.77	22.00	0.55783	143,581
1996	50,594.86	12.62	22.00	0.51158	25,883
1997	3,211.64	13.11	22.00	0.48503	1,558
1998	103,073.07	13.64	22.00	0.45581	46,981
2000	25,237.47	14.88	22.00	0.38861	9,807
2001	231,195.16	15.57	22.00	0.35087	81,121
2002	22,087.76	16.30	22.00	0.31093	6,868
2003	3,494,425.56	17.07	22.00	0.26870	938,965
2004	40,702.38	17.89	22.00	0.22427	9,128
2005	301.75	18.74	22.00	0.17768	54
2006	436,627.69	19.64	22.00	0.12896	56,309
2007	71,230.32	20.56	22.00	0.07845	5,588
2008	11,410.91	21.52	22.00	0.02642	301
Total	7,849,678.54				3,865,345.13

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -25 % Average Service Life: 35 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1903	2,355.60	0.00	0.00	1.25000	2,945
1904	151.46	0.00	0.00	1.25000	189
1905	433.75	0.00	0.00	1.25000	542
1906	536.68	0.00	0.00	1.25000	671
1907	697.13	0.00	0.00	1.25000	871
1908	646.85	0.00	0.00	1.25000	809
1909	1,087.39	0.00	0.00	1.25000	1,359
1910	1,526.69	0.00	0.00	1.25000	1,908
1911	1,950.12	0.00	0.00	1.25000	2,438
1912	1,387.32	0.00	0.00	1.25000	1,734
1913	1,811.77	0.00	0.00	1.25000	2,265
1914	2,065.01	0.00	0.00	1.25000	2,581
1915	1,852.28	0.00	0.00	1.25000	2,315
1916	2,149.44	0.00	0.00	1.25000	2,687
1917	1,070.70	0.00	0.00	1.25000	1,338
1918	244.25	0.00	0.00	1.25000	305
1919	214.86	0.00	0.00	1.25000	269
1920	406.68	0.00	0.00	1.25000	508
1921	1,383.77	0.00	0.00	1.25000	1,730
1922	1,608.09	0.00	0.00	1.25000	2,010
1923	2,629.19	0.00	0.00	1.25000	3,286
1924	2,229.48	0.00	0.00	1.25000	2,787
1925	4,367.95	0.00	0.00	1.25000	5,460
1926	3,984.98	0.00	0.00	1.25000	4,981
1927	4,108.55	0.00	0.00	1.25000	5,136
1928	1,829.50	0.00	0.00	1.25000	2,287
1929	1,351.39	0.00	0.00	1.25000	1,689
1930	1,111.86	0.00	0.00	1.25000	1,390

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -25 % Average Service Life: 35 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1931	946.80	0.00	0.00	1.25000	1,184
1932	540.91	0.00	0.00	1.25000	676
1933	25.04	0.00	0.00	1.25000	31
1934	420.21	0.00	0.00	1.25000	525
1935	832.36	0.00	0.00	1.25000	1,040
1936	1,805.71	0.00	0.00	1.25000	2,257
1937	1,979.20	0.00	0.00	1.25000	2,474
1938	2,153.38	0.00	0.00	1.25000	2,692
1939	1,659.21	0.50	35.00	1.23214	2,044
1940	4,052.03	0.82	35.00	1.22058	4,946
1941	5,908.51	1.27	35.00	1.20455	7,117
1942	2,211.45	1.73	35.00	1.18809	2,627
1943	974.81	2.19	35.00	1.17163	1,142
1944	2,915.98	2.65	35.00	1.15537	3,369
1945	2,784.81	3.10	35.00	1.13943	3,173
1946	7,044.50	3.53	35.00	1.12379	7,917
1947	10,513.29	3.96	35.00	1.10857	11,655
1948	19,075.83	4.38	35.00	1.09362	20,862
1949	24,266.38	4.79	35.00	1.07891	26,181
1950	33,806.35	5.20	35.00	1.06440	35,984
1951	43,430.81	5.60	35.00	1.05004	45,604
1952	102,532.72	6.00	35.00	1.03580	106,203
1953	186,066.34	6.40	35.00	1.02159	190,083
1954	354,494.64	6.79	35.00	1.00748	357,146
1955	620,386.83	7.19	35.00	0.99337	616,274
1956	664,420.41	7.58	35.00	0.97924	650,628
1957	705,769.69	7.98	35.00	0.96506	681,113
1958	910,732.80	8.38	35.00	0.95082	865,940

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -25 % Average Service Life: 35 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1959	1,162,247.47	8.78	35.00	0.93648	1,088,422
1960	1,341,258.22	9.18	35.00	0.92202	1,236,668
1961	1,440,134.30	9.59	35.00	0.90746	1,306,866
1962	1,251,356.23	10.00	35.00	0.89276	1,117,161
1963	1,357,428.05	10.42	35.00	0.87790	1,191,693
1964	1,462,205.76	10.84	35.00	0.86288	1,261,713
1965	1,816,983.68	11.27	35.00	0.84768	1,540,229
1966	1,428,072.78	11.70	35.00	0.83230	1,188,584
1967	1,479,831.17	12.13	35.00	0.81672	1,208,606
1968	1,401,664.72	12.57	35.00	0.80094	1,122,645
1969	1,542,873.68	13.02	35.00	0.78494	1,211,068
1970	1,539,128.07	13.48	35.00	0.76873	1,183,178
1971	1,722,784.44	13.94	35.00	0.75230	1,296,050
1972	1,176,101.07	14.40	35.00	0.73564	865,186
1973	1,400,926.52	14.88	35.00	0.71875	1,006,914
1974	1,169,025.84	15.35	35.00	0.70164	820,230
1975	620,287.67	15.84	35.00	0.68427	424,446
1976	325,930.55	16.33	35.00	0.66667	217,289
1977	375,516.66	16.83	35.00	0.64884	243,649
1978	931,765.60	17.34	35.00	0.63077	587,725
1979	1,089,970.76	17.85	35.00	0.61246	667,561
1980	749,991.98	18.37	35.00	0.59392	445,433
1981	655,665.90	18.90	35.00	0.57516	377,114
1982	413,989.45	19.43	35.00	0.55616	230,246
1983	271,695.14	19.97	35.00	0.53694	145,885
1984	326,678.07	20.51	35.00	0.51751	169,060
1985	638,838.63	21.06	35.00	0.49788	318,062
1986	6,994.10	21.62	35.00	0.47804	3,343

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -25 % Average Service Life: 35 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1987	8,914.68	22.18	35.00	0.45802	4,083
1988	205,410.27	22.74	35.00	0.43783	89,935
1989	98,229.70	23.31	35.00	0.41746	41,007
1990	377,963.11	23.89	35.00	0.39693	150,025
1991	378,662.21	24.47	35.00	0.37626	142,474
1992	338,051.54	25.05	35.00	0.35545	120,162
1993	455,558.49	25.63	35.00	0.33453	152,399
1994	146,435.70	26.22	35.00	0.31351	45,908
1995	282,430.38	26.81	35.00	0.29239	82,581
1996	9,605.10	27.41	35.00	0.27118	2,605
1997	212,455.86	28.00	35.00	0.24990	53,093
1998	83,126.46	28.60	35.00	0.22855	18,999
1999	127,087.26	29.20	35.00	0.20714	26,325
2000	227,241.01	29.80	35.00	0.18566	42,190
2001	76,717.35	30.41	35.00	0.16412	12,591
2002	131,575.16	31.01	35.00	0.14251	18,750
2003	136,704.39	31.62	35.00	0.12081	16,515
2004	1,960,197.65	32.23	35.00	0.09904	194,128
2005	508,089.06	32.84	35.00	0.07718	39,213
2006	324,650.94	33.45	35.00	0.05524	17,932
2007	91,475.03	34.07	35.00	0.03321	3,038
2008	29,125.46	34.69	35.00	0.01109	323
Total	39,065,997.26				27,456,681.86

Rochester Gas & Electric
Gas Plant
380.20 SERVICES - PLASTIC

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % *Average Service Life:* 44 *Survivor Curve:* L3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1955	426.91	11.43	44.00	0.96228	411
1957	1,892.85	11.87	44.00	0.94942	1,797
1962	25.69	12.80	44.00	0.92179	24
1963	640.43	12.96	44.00	0.91695	587
1965	55.32	13.30	44.00	0.90707	50
1966	249.62	13.47	44.00	0.90194	225
1970	38,329.05	14.29	44.00	0.87777	33,644
1971	262,063.76	14.55	44.00	0.87018	228,042
1972	441,395.64	14.83	44.00	0.86176	380,377
1973	957,080.58	15.15	44.00	0.85243	815,841
1974	1,459,352.88	15.50	44.00	0.84202	1,228,807
1975	1,593,611.77	15.89	44.00	0.83058	1,323,617
1976	1,544,881.78	16.31	44.00	0.81800	1,263,716
1977	1,353,634.09	16.78	44.00	0.80425	1,088,667
1978	2,033,905.10	17.29	44.00	0.78915	1,605,050
1979	3,101,992.11	17.84	44.00	0.77292	2,397,606
1980	2,027,109.09	18.43	44.00	0.75550	1,531,484
1981	2,349,621.16	19.06	44.00	0.73691	1,731,449
1982	1,950,946.47	19.73	44.00	0.71700	1,398,822
1983	2,565,573.69	20.44	44.00	0.69616	1,786,059
1984	2,774,829.53	21.18	44.00	0.67435	1,871,218
1985	2,819,620.37	21.95	44.00	0.65155	1,837,112
1986	3,272,808.54	22.74	44.00	0.62802	2,055,398
1987	4,416,761.49	23.56	44.00	0.60381	2,666,881
1988	4,962,196.30	24.40	44.00	0.57899	2,873,074
1989	4,502,889.31	25.26	44.00	0.55357	2,492,667
1990	7,179,476.93	26.14	44.00	0.52775	3,788,943
1991	5,001,546.21	27.03	44.00	0.50151	2,508,340

Rochester Gas & Electric
Gas Plant
380.20 SERVICES - PLASTIC

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 44 Survivor Curve: L3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1992	5,951,159.00	27.93	44.00	0.47486	2,825,983
1993	5,534,146.09	28.84	44.00	0.44789	2,478,663
1994	200,924.38	29.76	44.00	0.42058	84,504
1995	8,641,596.43	30.70	44.00	0.39295	3,395,677
1996	131,721.42	31.65	44.00	0.36497	48,074
1997	9,897,479.53	32.60	44.00	0.33672	3,332,706
1998	6,755,935.94	33.57	44.00	0.30820	2,082,212
1999	5,441,789.71	34.54	44.00	0.27944	1,520,640
2000	323,814.37	35.52	44.00	0.25042	81,090
2001	7,231,154.37	36.51	44.00	0.22124	1,599,814
2002	8,877,695.75	37.50	44.00	0.19191	1,703,707
2003	20,159,090.09	38.50	44.00	0.16247	3,275,207
2004	4,131,391.23	39.50	44.00	0.13295	549,272
2005	6,160,652.32	40.50	44.00	0.10341	637,076
2006	6,256,893.57	41.50	44.00	0.07386	462,164
2007	5,419,498.17	42.50	44.00	0.04432	240,186
2008	2,722,543.96	43.50	44.00	0.01477	40,220
Total	160,450,403.00				61,267,101.51

Rochester Gas & Electric
Gas Plant
381.00 METERS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -6 % Average Service Life: 26 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1953	94.35	0.00	0.00	1.06000	100
1954	14,199.30	0.00	0.00	1.06000	15,051
1955	5,573.70	0.00	0.00	1.06000	5,908
1956	52,179.84	0.00	0.00	1.06000	55,311
1957	24,444.16	0.50	26.00	1.03962	25,413
1958	18,871.98	0.68	26.00	1.03247	19,485
1959	27,486.03	0.97	26.00	1.02029	28,044
1960	29,767.57	1.30	26.00	1.00699	29,976
1961	29,841.30	1.51	26.00	0.99452	29,678
1962	26,594.63	1.87	26.00	0.98385	26,165
1963	41,293.19	2.10	26.00	0.97448	40,239
1964	76,103.88	2.32	26.00	0.96546	73,475
1965	132,002.36	2.55	26.00	0.95622	126,223
1966	191,650.65	2.78	26.00	0.94653	181,403
1967	224,325.38	3.04	26.00	0.93624	210,022
1968	237,954.84	3.30	26.00	0.92565	220,264
1969	265,602.35	3.57	26.00	0.91462	242,926
1970	246,779.97	3.85	26.00	0.90322	222,896
1971	93,566.22	4.13	26.00	0.89146	83,411
1972	47,639.70	4.43	26.00	0.87936	41,893
1973	39,216.09	4.74	26.00	0.86684	33,994
1975	47,128.79	5.38	26.00	0.84062	39,617
1978	34,028.84	6.45	26.00	0.79695	27,119
1979	179,961.51	6.84	26.00	0.78101	140,553
1980	406,859.13	7.25	26.00	0.76432	358,359
1981	471,666.33	7.68	26.00	0.74683	352,255
1982	145,967.99	8.13	26.00	0.72853	106,341
1983	86,974.51	8.60	26.00	0.70940	61,699

Rochester Gas & Electric

Gas Plant

381.00 METERS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2008

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -6 % *Average Service Life:* 26 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1984	321,501.63	9.09	26.00	0.68944	221,657
1985	232,347.59	9.60	26.00	0.66867	155,364
1986	583,279.62	10.13	26.00	0.64711	377,448
1987	180,787.63	10.68	26.00	0.62472	112,942
1988	355,516.36	11.25	26.00	0.60155	213,862
1989	682,261.64	11.83	26.00	0.57763	394,096
1990	690,715.38	12.44	26.00	0.55298	381,951
1991	1,083,414.78	13.06	26.00	0.52762	571,633
1992	633,655.04	13.70	26.00	0.50159	317,835
1993	64.68	14.35	26.00	0.47494	31
1994	1,665,424.95	15.02	26.00	0.44763	745,502
1995	1,057,431.83	15.70	26.00	0.41975	443,859
1996	295,407.02	16.40	26.00	0.39132	115,599
1997	1,477,391.82	17.11	26.00	0.36237	535,370
1998	696,836.99	17.83	26.00	0.33295	232,010
1999	581,922.01	18.57	26.00	0.30309	176,376
2000	602,948.25	19.31	26.00	0.27279	164,475
2001	128,746.82	20.06	26.00	0.24208	31,168
2002	106,310.69	20.83	26.00	0.21101	22,432
2003	1,345,583.53	21.60	26.00	0.17955	241,603
2004	322,172.40	22.38	26.00	0.14773	47,594
2005	554,881.45	23.17	26.00	0.11554	64,109
2006	577,043.51	23.97	26.00	0.08299	47,891
2007	597,890.69	24.77	26.00	0.05007	29,934
2008	2,738,476.27	25.59	26.00	0.01678	45,947
Total	20,771,792.17				8,488,508.13

Rochester Gas & Electric
Gas Plant
382.00 METER INSTALLATION

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 38 *Survivor Curve:* L4

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1970	105,588.64	7.41	38.00	0.80505	85,004
1971	249,847.68	7.58	38.00	0.80061	200,030
1972	259,230.38	7.78	38.00	0.79539	206,190
1973	272,156.51	8.02	38.00	0.78902	214,736
1974	264,048.47	8.31	38.00	0.78128	206,295
1975	149,919.22	8.67	38.00	0.77183	115,711
1978	167,000.57	10.16	38.00	0.73267	122,356
1979	467,939.83	10.78	38.00	0.71638	335,224
1980	538,246.77	11.45	38.00	0.69863	376,035
1981	460,539.02	12.17	38.00	0.67983	313,088
1982	560,215.71	12.91	38.00	0.66021	369,861
1983	415,779.38	13.69	38.00	0.63980	266,014
1984	454,087.30	14.49	38.00	0.61879	280,984
1985	682,302.75	15.30	38.00	0.59725	407,505
1986	654,327.36	16.15	38.00	0.57513	376,325
1987	811,082.22	17.00	38.00	0.55254	448,159
1988	1,074,329.34	17.88	38.00	0.52937	568,717
1989	1,150,944.20	18.78	38.00	0.50570	582,030
1990	986,009.48	19.70	38.00	0.48157	474,836
1991	849,815.49	20.64	38.00	0.45694	388,318
1992	1,126,311.57	21.59	38.00	0.43191	486,468
1993	1,176,713.17	22.55	38.00	0.40654	478,377
1994	767,629.61	23.53	38.00	0.38084	292,341
1995	1,131,706.77	24.51	38.00	0.35492	401,664
1996	637,796.38	25.51	38.00	0.32881	209,712
1997	1,262,898.64	26.50	38.00	0.30259	382,137
1998	1,366,743.12	27.50	38.00	0.27631	377,642
1999	1,817,967.17	28.50	38.00	0.25000	454,489

Rochester Gas & Electric
Gas Plant
382.00 METER INSTALLATION

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 38 Survivor Curve: L4

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2000	1,796,046.80	29.50	38.00	0.22368	401,746
2001	183,525.60	30.50	38.00	0.19737	36,222
2003	1,597,500.07	32.50	38.00	0.14474	231,216
2004	1,028,705.52	33.50	38.00	0.11842	121,820
2005	703,249.69	34.50	38.00	0.09210	64,773
2006	746,626.14	35.50	38.00	0.06579	49,120
2007	1,377,620.29	36.50	38.00	0.03947	54,380
Total	27,294,452.86				10,379,523.64

Rochester Gas & Electric
Gas Plant
383.10 HOUSE REGULATORS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % Average Service Life: 37 Survivor Curve: S6

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1963	2,920.21	0.80	37.00	1.71220	5,000
1964	3,792.58	0.87	37.00	1.70869	6,480
1965	2,109.50	0.99	37.00	1.70313	3,593
1966	3,252.30	1.07	37.00	1.69933	5,527
1967	6,002.84	1.20	37.00	1.69336	10,165
1968	753.40	1.36	37.00	1.68575	1,270
1969	29,408.83	1.56	37.00	1.67615	49,294
1970	49,690.44	1.79	37.00	1.66530	82,750
1971	49,314.66	2.08	37.00	1.65148	81,442
1972	52,124.45	2.44	37.00	1.63439	85,192
1973	67,753.43	2.89	37.00	1.61335	109,310
1974	73,031.35	3.43	37.00	1.58770	115,952
1975	38,106.00	4.07	37.00	1.55756	59,352
1976	27,388.43	4.82	37.00	1.52193	41,683
1977	34,492.90	5.66	37.00	1.48213	51,123
1978	66,009.66	6.57	37.00	1.43911	94,995
1979	97,655.27	7.53	37.00	1.39398	136,130
1980	89,917.47	8.51	37.00	1.34751	121,165
1981	111,341.44	9.50	37.00	1.30051	144,801
1982	118,679.75	10.50	37.00	1.25331	148,743
1983	112,755.65	11.50	37.00	1.20603	135,987
1984	130,145.12	12.50	37.00	1.15874	150,805
1985	87,479.10	13.50	37.00	1.11145	97,228
1986	89,936.55	14.50	37.00	1.06415	95,706
1987	130,571.62	15.50	37.00	1.01686	132,773
1988	152,979.90	16.50	37.00	0.96956	148,323
1989	174,503.21	17.50	37.00	0.92227	160,938
1990	192,638.13	18.50	37.00	0.87497	168,552

Rochester Gas & Electric
Gas Plant
383.10 HOUSE REGULATORS

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % *Average Service Life:* 37 *Survivor Curve:* S6

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1991	135,873.92	19.50	37.00	0.82767	112,459
1992	81,932.16	20.50	37.00	0.78038	63,938
1993	230,627.60	21.50	37.00	0.73308	169,069
1994	145,411.37	22.50	37.00	0.68579	99,721
1995	120,922.82	23.50	37.00	0.63849	77,208
1996	179,808.48	24.50	37.00	0.59120	106,302
1997	392,107.95	25.50	37.00	0.54390	213,267
1998	318,163.54	26.50	37.00	0.49660	158,001
1999	247,878.12	27.50	37.00	0.44931	111,374
2000	238,854.45	28.50	37.00	0.40201	96,023
2003	421,125.08	31.50	37.00	0.26013	109,546
2004	296,602.11	32.50	37.00	0.21283	63,126
2007	151,117.56	35.50	37.00	0.07094	10,721
Total	4,955,179.35				3,835,034.63

Rochester Gas & Electric
Gas Plant
383.20 SPECIAL REGULATORS ON CUST. PREMISES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % Average Service Life: 37 Survivor Curve: S6

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1960	118.54	0.64	37.00	1.71952	204
1961	3,624.47	0.69	37.00	1.71751	6,225
1962	855.57	0.77	37.00	1.71376	1,466
1963	759.42	0.80	37.00	1.71220	1,300
1964	60.10	0.87	37.00	1.70869	103
1966	855.88	1.07	37.00	1.69933	1,454
1967	1,767.24	1.20	37.00	1.69336	2,993
1968	697.01	1.36	37.00	1.68575	1,175
1969	1,871.05	1.56	37.00	1.67615	3,136
1970	644.93	1.79	37.00	1.66530	1,074
1971	1,871.67	2.08	37.00	1.65148	3,091
1972	664.55	2.44	37.00	1.63439	1,086
1977	149.81	5.66	37.00	1.48213	222
1978	1,198.64	6.57	37.00	1.43911	1,725
1983	157.53	11.50	37.00	1.20603	190
1988	2,560.15	16.50	37.00	0.96956	2,482
1989	1,752.93	17.50	37.00	0.92227	1,617
1991	5,003.54	19.50	37.00	0.82767	4,141
Total	24,613.03				33,684.63

Rochester Gas & Electric
Gas Plant
384.10 HOUSE REGULATOR INSTALLATIONS
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 37 *Survivor Curve:* S6

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1962	6,081.11	0.77	37.00	0.97929	5,955
1963	26,173.61	0.80	37.00	0.97840	25,608
1964	8,685.33	0.87	37.00	0.97639	8,480
1965	2,979.23	0.99	37.00	0.97322	2,899
1966	11,814.85	1.07	37.00	0.97104	11,473
1967	20,229.82	1.20	37.00	0.96763	19,575
1968	2,825.41	1.36	37.00	0.96328	2,722
1969	132,338.08	1.56	37.00	0.95780	126,754
1970	149,582.71	1.79	37.00	0.95160	142,343
1971	162,568.36	2.08	37.00	0.94370	153,417
1972	143,212.41	2.44	37.00	0.93394	133,752
1973	141,899.11	2.89	37.00	0.92191	130,819
1974	112,359.00	3.43	37.00	0.90726	101,939
1975	75,505.26	4.07	37.00	0.89003	67,202
1976	57,253.34	4.82	37.00	0.86967	49,792
1977	65,228.48	5.66	37.00	0.84693	55,244
1978	147,900.72	6.57	37.00	0.82235	121,626
1979	186,199.65	7.53	37.00	0.79656	148,319
1980	224,749.06	8.51	37.00	0.77001	173,058
1981	197,329.95	9.50	37.00	0.74315	146,646
1982	171,898.47	10.50	37.00	0.71618	123,110
1983	172,011.84	11.50	37.00	0.68916	118,544
1984	166,717.15	12.50	37.00	0.66214	110,390
1985	218,375.08	13.50	37.00	0.63511	138,693
1986	179,079.82	14.50	37.00	0.60809	108,896
1987	140,652.72	15.50	37.00	0.58106	81,728
1988	161,589.20	16.50	37.00	0.55403	89,526
1989	219,599.29	17.50	37.00	0.52701	115,731

Rochester Gas & Electric
Gas Plant
384.10 HOUSE REGULATOR INSTALLATIONS
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 37 *Survivor Curve:* S6

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1990	207,592.59	18.50	37.00	0.49998	103,793
1991	167,002.24	19.50	37.00	0.47296	78,985
1992	188,629.43	20.50	37.00	0.44593	84,116
1993	257,995.29	21.50	37.00	0.41890	108,075
1994	99,717.87	22.50	37.00	0.39188	39,077
1995	139,157.23	23.50	37.00	0.36485	50,772
1996	103,423.09	24.50	37.00	0.33783	34,939
1997	134,388.77	25.50	37.00	0.31080	41,768
1998	174,560.71	26.50	37.00	0.28377	49,536
1999	174,954.61	27.50	37.00	0.25675	44,919
2000	496,797.32	28.50	37.00	0.22972	114,125
2003	3,081,061.47	31.50	37.00	0.14864	457,980
2004	936,348.99	32.50	37.00	0.12162	113,876
2007	275,629.25	35.50	37.00	0.04054	11,174
Total	9,742,097.92				3,847,374.07

Rochester Gas & Electric
Gas Plant
384.20 SPECIAL REG. INSTALL ON CUST. PREMISES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 37 *Survivor Curve:* S6

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1961	68,151.01	0.69	37.00	0.98144	66,886
1962	19,768.25	0.77	37.00	0.97929	19,359
1963	12,457.41	0.80	37.00	0.97840	12,188
1964	8,955.45	0.87	37.00	0.97639	8,744
1965	15,825.40	0.99	37.00	0.97322	15,402
1966	46,878.26	1.07	37.00	0.97104	45,521
1967	78,347.70	1.20	37.00	0.96763	75,812
1968	63,505.84	1.36	37.00	0.96328	61,174
1969	53,108.54	1.56	37.00	0.95780	50,867
1970	44,699.21	1.79	37.00	0.95160	42,536
1971	82,693.66	2.08	37.00	0.94370	78,038
1972	36,296.68	2.44	37.00	0.93394	33,899
1973	18,337.51	2.89	37.00	0.92191	16,906
1974	4,070.09	3.43	37.00	0.90726	3,693
1975	4,781.97	4.07	37.00	0.89003	4,256
1976	4,583.57	4.82	37.00	0.86967	3,986
1977	3,182.54	5.66	37.00	0.84693	2,695
1978	12,261.99	6.57	37.00	0.82235	10,084
1979	10,094.25	7.53	37.00	0.79656	8,041
1980	11,397.50	8.51	37.00	0.77001	8,776
1981	2,008.31	9.50	37.00	0.74315	1,492
1983	9,284.79	11.50	37.00	0.68916	6,399
1984	2,728.72	12.50	37.00	0.66214	1,807
1987	3,587.50	15.50	37.00	0.58106	2,085
1989	2,040.00	17.50	37.00	0.52701	1,075
1991	8,852.01	19.50	37.00	0.47296	4,187
1993	14,194.57	21.50	37.00	0.41890	5,946
Total	642,092.73				591,852.87

Rochester Gas & Electric
Gas Plant
387.00 OTHER EQUIPMENT

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 35 *Survivor Curve:* R3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1963	3,499.40	3.42	35.00	0.90215	3,157
1964	200.52	3.69	35.00	0.89454	179
1965	3,572.61	3.97	35.00	0.88666	3,168
1967	684.07	4.56	35.00	0.86968	595
1968	215.69	4.88	35.00	0.86053	186
1970	8,121.33	5.59	35.00	0.84034	6,825
1971	113.73	5.98	35.00	0.82920	94
1972	133.44	6.39	35.00	0.81734	109
Total	16,540.79				14,312.59

Rochester Gas & Electric
Gas Plant
387.10 TRANSPORTATION MONITORING EQUIP.

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 20 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1992	49,656.09	7.38	20.00	0.63087	31,326
1993	340,670.85	7.98	20.00	0.60123	204,822
1994	427,099.04	8.59	20.00	0.57030	243,573
1995	41,099.99	9.24	20.00	0.53797	22,110
2000	4,320.20	12.82	20.00	0.35877	1,550
2001	124,492.31	13.61	20.00	0.31972	39,802
Total	987,338.48				543,183.63

Rochester Gas & Electric
Gas Plant
390.00 STRUCUTRES & IMPROVEMENTS
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -10 % Average Service Life: 35 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1927	19,876.34	4.91	35.00	0.94580	18,799
1928	13,398.94	5.06	35.00	0.94096	12,608
1932	3,608.53	5.71	35.00	0.92055	3,322
1933	89.70	5.88	35.00	0.91533	82
1947	58.29	8.52	35.00	0.83209	49
1956	306.36	10.54	35.00	0.76862	235
1959	1,417.64	11.27	35.00	0.74570	1,057
1960	10,188.13	11.52	35.00	0.73784	7,517
1961	1,456.67	11.77	35.00	0.72997	1,063
1966	10,206.81	13.06	35.00	0.68970	7,040
1971	1,263.44	14.37	35.00	0.64854	819
1972	149.94	14.63	35.00	0.64022	96
1974	1,411.44	15.17	35.00	0.62338	880
1978	4,700.00	16.27	35.00	0.58853	2,766
1981	3,977.65	17.18	35.00	0.56013	2,228
1985	5,729.32	18.56	35.00	0.51668	2,960
1986	63,109.65	18.95	35.00	0.50442	31,834
1988	134,855.53	19.80	35.00	0.47785	64,441
1989	17,295.75	20.26	35.00	0.46337	8,014
1990	48,318.33	20.75	35.00	0.44798	21,646
1991	908.42	21.27	35.00	0.43162	392
1992	17,999.68	21.82	35.00	0.41422	7,456
1994	9,638.13	23.03	35.00	0.37627	3,627
Total	369,964.89				196,930.45

Rochester Gas & Electric
Common Plant
390.00 STRUCUTRES & IMPROVEMENTS
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -10 % Average Service Life: 35 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1892	5,385.00	0.00	0.00	1.10000	5,924
1918	28,650.41	3.59	35.00	0.98719	28,284
1924	1,145.00	4.45	35.00	0.96006	1,099
1926	926,782.23	4.76	35.00	0.95054	880,945
1928	261.29	5.06	35.00	0.94096	246
1929	4,912.99	5.22	35.00	0.93603	4,599
1935	128.78	6.22	35.00	0.90458	116
1937	456.22	6.57	35.00	0.89343	408
1938	7,984.33	6.75	35.00	0.88772	7,088
1940	277.03	7.13	35.00	0.87594	243
1941	20,266.05	7.32	35.00	0.86999	17,631
1942	5,154.47	7.51	35.00	0.86393	4,453
1943	845.61	7.71	35.00	0.85777	725
1944	306.53	7.91	35.00	0.85151	261
1946	8,526.48	8.32	35.00	0.83861	7,150
1947	4,531.05	8.52	35.00	0.83209	3,770
1948	34,027.28	8.74	35.00	0.82546	28,088
1949	1,834.64	8.95	35.00	0.81872	1,502
1950	5,762.00	9.17	35.00	0.81188	4,678
1952	73,347.55	9.61	35.00	0.79788	58,522
1953	3,706.85	9.84	35.00	0.79065	2,931
1954	23,067.86	10.07	35.00	0.78342	18,072
1955	9,577.98	10.31	35.00	0.77607	7,433
1956	115,692.17	10.54	35.00	0.76862	88,924
1957	1,897.22	10.78	35.00	0.76108	1,444
1958	18,337.42	11.03	35.00	0.75343	13,816
1959	3,539.92	11.27	35.00	0.74570	2,640
1960	79,734.76	11.52	35.00	0.73784	58,831

Rochester Gas & Electric
Common Plant
390.00 STRUCUTRES & IMPROVEMENTS
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -10 % Average Service Life: 35 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1961	449,013.49	11.77	35.00	0.72997	327,766
1962	2,023,156.25	12.03	35.00	0.72203	1,460,772
1963	123,240.82	12.28	35.00	0.71402	87,996
1964	175,026.47	12.54	35.00	0.70596	123,562
1965	166,812.29	12.80	35.00	0.69785	116,410
1966	20,421.22	13.06	35.00	0.68970	14,085
1967	30,136.33	13.32	35.00	0.68148	20,537
1968	24,083.48	13.58	35.00	0.67329	16,215
1969	11,042.77	13.84	35.00	0.66507	7,344
1970	8,814.21	14.10	35.00	0.65682	5,789
1971	9,764.17	14.37	35.00	0.64854	6,332
1972	25,754.21	14.63	35.00	0.64022	16,488
1973	18,817.56	14.90	35.00	0.63185	11,890
1974	293,580.34	15.17	35.00	0.62338	183,013
1976	31,720.05	15.71	35.00	0.60625	19,230
1977	141,514.09	15.99	35.00	0.59748	84,552
1978	249,729.15	16.27	35.00	0.58853	146,973
1979	998,667.08	16.57	35.00	0.57935	578,580
1980	208,332.04	16.87	35.00	0.56990	118,729
1981	143,642.45	17.18	35.00	0.56013	80,458
1982	336,023.28	17.50	35.00	0.54998	184,807
1983	387,864.35	17.84	35.00	0.53940	209,214
1984	348,189.89	18.19	35.00	0.52832	183,955
1985	931,088.69	18.56	35.00	0.51668	481,072
1986	1,232,473.83	18.95	35.00	0.50442	621,680
1987	117,653.63	19.36	35.00	0.49148	57,824
1988	188,407.03	19.80	35.00	0.47785	90,030
1989	758,298.18	20.26	35.00	0.46337	351,371

Rochester Gas & Electric
Common Plant
390.00 STRUCUTRES & IMPROVEMENTS
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -10 % Average Service Life: 35 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1990	1,138,299.24	20.75	35.00	0.44798	509,938
1991	766,879.39	21.27	35.00	0.43162	330,999
1992	859,027.83	21.82	35.00	0.41422	355,830
1993	1,698,475.18	22.41	35.00	0.39577	672,211
1994	2,652,057.20	23.03	35.00	0.37627	997,890
1995	142,603.99	23.68	35.00	0.35581	50,739
1996	629,804.19	24.36	35.00	0.33431	210,548
1997	113,464.65	25.08	35.00	0.31194	35,394
1998	378,859.43	25.81	35.00	0.28877	109,404
1999	936,298.39	26.57	35.00	0.26482	247,950
2000	2,316,265.94	27.36	35.00	0.24007	556,055
2001	229,303.59	28.18	35.00	0.21450	49,186
2002	646,259.34	29.01	35.00	0.18819	121,617
2004	47,301.43	30.77	35.00	0.13311	6,296
2005	1,503,199.46	31.68	35.00	0.10450	157,087
2006	1,060,213.74	32.61	35.00	0.07526	79,794
2007	476,036.10	33.55	35.00	0.04548	21,648
2008	1,354,295.47	34.52	35.00	0.01524	20,643
Total	27,788,051.03				11,389,730.20

Rochester Gas & Electric
Common Plant
392.00 TRANSPORTATION EQ. > 13000#

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 8 % *Average Service Life:* 8.9 *Survivor Curve:* R3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1989	167,407.60	0.00	0.00	0.92000	154,015
1991	747,938.07	0.00	0.00	0.92000	688,103
1992	121,690.63	0.00	0.00	0.92000	111,955
1993	105,546.02	0.00	0.00	0.92000	97,102
1994	422,427.07	0.50	8.90	0.86832	366,800
1995	995,607.45	0.53	8.90	0.86473	860,934
1996	222,898.78	0.72	8.90	0.84532	188,421
1997	241,004.44	0.95	8.90	0.82138	197,956
1998	1,293,682.85	1.22	8.90	0.79371	1,026,805
1999	1,323,083.40	1.56	8.90	0.75824	1,003,211
2000	2,409,041.06	2.01	8.90	0.71202	1,715,260
2001	2,099,207.49	2.57	8.90	0.65445	1,373,830
2002	2,287,953.92	3.22	8.90	0.58698	1,342,981
2003	1,642,668.21	3.95	8.90	0.51140	840,058
2004	462,760.79	4.75	8.90	0.42911	198,575
2005	3,639,957.48	5.60	8.90	0.34097	1,241,099
2006	2,648,716.23	6.50	8.90	0.24785	656,477
2007	3,984,317.93	7.44	8.90	0.15073	600,540
2008	4,496,746.78	8.41	8.90	0.05074	228,155
Total	29,312,656.20				12,892,299.09

Rochester Gas & Electric
Common Plant
396.00 POWER OPERATED EQUIP.

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2008
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 18 % *Average Service Life:* 14 *Survivor Curve:* R3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1988	35,482.56	0.74	13.70	0.77587	27,530
1990	42,117.00	1.21	13.70	0.74774	31,493
1991	29,800.68	1.46	13.70	0.73260	21,832
1992	41,421.41	1.74	13.70	0.71615	29,664
1994	166,343.74	2.43	13.70	0.67456	112,208
1998	51,986.88	4.61	13.70	0.54386	28,274
1999	78,659.16	5.31	13.70	0.50212	39,496
2000	379,317.50	6.05	13.70	0.45761	173,578
2001	346,443.73	6.84	13.70	0.41060	142,250
2002	393,650.67	7.66	13.70	0.36129	142,220
2003	252,265.20	8.52	13.70	0.30990	78,176
2004	214,333.17	9.41	13.70	0.25661	54,999
2005	818,370.04	10.33	13.70	0.20165	165,022
2006	661,932.49	11.27	13.70	0.14526	96,153
2007	1,067,427.09	12.23	13.70	0.08777	93,684
2008	1,265,463.02	13.21	13.70	0.02942	37,230
Total	5,845,014.34				1,273,807.30

SECTION 7

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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%
2008	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
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%

Rochester Gas & Electric
Gas Plant
375.00 STRUCUTRES & IMPROVEMENTS
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
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%
2006 - 2008	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
1961 - 2008	246,851.00	11,718.00	4.75	51,515.00	20.87	(39,797.00)	-16.12

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	80.0
Average Retirement Age (Yrs)	31.2
Years To ASL	48.8
Inflation Factor At 2.75% to ASL	3.76

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.00%
1994-2008	15 - Year Trend	0.00%
1999-2008	10 - Year Trend	0.00%
2004-2008	5 - Year Trend	0.00%

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	78.52%
Net Salvage	-78.52%

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1970 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Annual Activity							
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	167,092.74	21,921.16	13.12%	171,484.92	102.63%	(149,563.76)	-89.51%
2007	256,677.59	5,587.08	2.18%	570,016.27	222.07%	(564,429.19)	-219.90%
2008	565,115.11	0.00	0.00%	362,320.21	64.11%	(362,320.21)	-64.11%

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1970 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
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	2,743,414.27	26,776.04	0.98%	437,396.75	15.94%	(410,620.71)	-14.97%
2005 - 2007	594,997.54	32,363.12	5.44%	887,054.44	149.09%	(854,691.32)	-143.65%
2006 - 2008	988,885.44	27,508.24	2.78%	1,103,821.40	111.62%	(1,076,313.16)	-108.84%

Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1970 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
1970 - 2008	15,872,146.99	83,779.12	0.53	10,267,757.93	64.69	(10,183,978.81)	-64.16

Trend Analysis (End Year) **2008**

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

Annual Inflation Rate	2.75%
Average Service Life (ASL)	68.0
Average Retirement Age (Yrs)	25.6
Years To ASL	42.4
Inflation Factor At 2.75% to ASL	3.16

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	1.77%
1994-2008	15 - Year Trend	2.29%
1999-2008	10 - Year Trend	3.19%
2004-2008	5 - Year Trend	5.13%

Forcasted

Gross Salvage (Five Year Trend)	5.13%
Cost Of Removal	204.62%
Net Salvage	-199.49%

Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1975 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Annual Activity							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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	14,170.86	5,761.45	40.66%	22,595.90	159.45%	(16,834.45)	-118.80%
2007	10,485.85	84,182.38	802.82%	42,817.39	408.33%	41,364.99	394.48%
2008	3,338,042.17	18,396.56	0.55%	34,444.69	1.03%	(16,048.13)	-0.48%

Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1975 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
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	260,710.99	9,620.34	3.69%	315,771.96	121.12%	(306,151.62)	-117.43%
2005 - 2007	33,558.25	93,802.72	279.52%	202,761.77	604.21%	(108,959.05)	-324.69%
2006 - 2008	3,362,698.88	108,340.39	3.22%	99,857.98	2.97%	8,482.41	0.25%
1975 - 2008	5,671,145.71	113,051.28	1.99	2,745,079.72	48.40	(2,632,028.44)	-46.41

Trend Analysis (End Year) 2008

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

Annual Inflation Rate	2.75%
Average Service Life (ASL)	60.0
Average Retirement Age (Yrs)	10.3
Years To ASL	49.7
Inflation Factor At 2.75% to ASL	3.85

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	52.97%
1994-2008	15 - Year Trend	68.43%
1999-2008	10 - Year Trend	95.68%
2004-2008	5 - Year Trend	142.95%

Forcasted

Gross Salvage (Five Year Trend)	142.95%
Cost Of Removal	186.26%
Net Salvage	-43.31%

Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 2002 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
2002	75,443.61	0.00	0.00%	142,574.44	188.98%	(142,574.44)	-188.98%
2003	316,549.01	0.00	0.00%	212,316.93	67.07%	(212,316.93)	-67.07%
2004	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2005	33,284.68	4,854.88	14.59%	129,188.74	388.13%	(124,333.86)	-373.55%
2006	10,832.10	10,960.60	101.19%	456,156.69	4211.16%	(445,196.09)	-4109.97%
2007	214,724.82	5,587.07	2.60%	37,863.96	17.63%	(32,276.89)	-15.03%
2008	465,366.53	0.00	0.00%	91,462.93	19.65%	(91,462.93)	-19.65%

Rochester Gas & Electric
Gas Plant
376.30 MAINS - CAST IRON

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 2002 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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	44,116.78	15,815.48	35.85%	585,345.43	1326.81%	(569,529.95)	-1290.96%
2005 - 2007	258,841.60	21,402.55	8.27%	623,209.39	240.77%	(601,806.84)	-232.50%
2006 - 2008	690,923.45	16,547.67	2.40%	585,483.58	84.74%	(568,935.91)	-82.34%
2002 - 2008	1,116,200.75	21,402.55	1.92	1,069,563.69	95.82	(1,048,161.14)	-93.90

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	60.0
Average Retirement Age (Yrs)	76.3
Years To ASL	-16.3
Inflation Factor At 2.75% to ASL	0.64

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	9.60%
1994-2008	15 - Year Trend	9.60%
1999-2008	10 - Year Trend	9.60%
2004-2008	5 - Year Trend	13.08%

Forcasted

Gross Salvage (Five Year Trend)	13.08%
Cost Of Removal	61.52%
Net Salvage	-48.44%

Rochester Gas & Electric
Gas Plant
376.40 MAINS - VALVE GT 4 INCH

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 2006 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
2006	0.00	0.00	0.00%	307.04	0.00%	(307.04)	0.00%
2007	0.00	0.00	0.00%	6,084.41	0.00%	(6,084.41)	0.00%
2008	2,359.06	0.00	0.00%	13,263.72	562.25%	(13,263.72)	-562.25%

Rochester Gas & Electric
Gas Plant
376.40 MAINS - VALVE GT 4 INCH
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 2006 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
2006 - 2008	2,359.06	0.00	0.00%	19,655.17	833.18%	(19,655.17)	-833.18%
2006 - 2008	2,359.06	0.00	0.00	19,655.17	833.18	(19,655.17)	-833.18

Trend Analysis (End Year) **2008**

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

Annual Inflation Rate	2.75%
Average Service Life (ASL)	50.0
Average Retirement Age (Yrs)	1.8
Years To ASL	48.2
Inflation Factor At 2.75% to ASL	3.70

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.00%
1994-2008	15 - Year Trend	0.00%
1999-2008	10 - Year Trend	0.00%
2004-2008	5 - Year Trend	0.00%

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	3084.58%
Net Salvage	-3084.58%

Rochester Gas & Electric
Gas Plant
378.10 MEAS. & REG. STATION EQUIP. - INSIDE
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Annual Activity							
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
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378.10 MEAS. & REG. STATION EQUIP. - INSIDE
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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	847,076.11	0.00	0.00%	6,536.03	0.77%	(6,536.03)	-0.77%
2007	30,069.25	0.00	0.00%	38,379.77	127.64%	(38,379.77)	-127.64%
2008	0.00	0.00	0.00%	69,519.31	0.00%	(69,519.31)	0.00%

Rochester Gas & Electric
Gas Plant
378.10 MEAS. & REG. STATION EQUIP. - INSIDE

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
1961 - 1963	76,900.00	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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	847,076.11	0.00	0.00%	8,486.90	1.00%	(8,486.90)	-1.00%
2005 - 2007	877,145.36	0.00	0.00%	44,915.80	5.12%	(44,915.80)	-5.12%
2006 - 2008	877,145.36	0.00	0.00%	114,435.11	13.05%	(114,435.11)	-13.05%

Rochester Gas & Electric
Gas Plant
378.10 MEAS. & REG. STATION EQUIP. - INSIDE

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
1961 - 2008	1,492,695.44	22,681.00	1.52	235,038.98	15.75	(212,357.98)	-14.23

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	37.0
Average Retirement Age (Yrs)	14.0
Years To ASL	23.0
Inflation Factor At 2.75% to ASL	1.87

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.00% *
1994-2008	15 - Year Trend	0.00%
1999-2008	10 - Year Trend	0.00%
2004-2008	5 - Year Trend	0.00%

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

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	29.43%
Net Salvage	-29.43%

Rochester Gas & Electric
Gas Plant
378.11 MEAS & REG. STATION EQUIP. - OUTSIDE
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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	1,218,664.89	0.00	0.00%	37,251.42	3.06%	(37,251.42)	-3.06%
2007	101,091.49	0.00	0.00%	21,725.81	21.49%	(21,725.81)	-21.49%
2008	107,793.97	0.00	0.00%	0.00	0.00%	0.00	0.00%

Rochester Gas & Electric

Gas Plant

378.11 MEAS & REG. STATION EQUIP. - OUTSIDE

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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	95,426.00	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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	1,223,147.13	0.00	0.00%	99,994.21	8.18%	(99,994.21)	-8.18%
2005 - 2007	1,319,756.38	0.00	0.00%	119,769.19	9.08%	(119,769.19)	-9.08%
2006 - 2008	1,427,550.35	0.00	0.00%	58,977.23	4.13%	(58,977.23)	-4.13%

Rochester Gas & Electric
Gas Plant
378.11 MEAS & REG. STATION EQUIP. - OUTSIDE

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
1961 - 2008	2,730,942.23	32,169.34	1.18	534,146.06	19.56	(501,976.72)	-18.38

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	33.0
Average Retirement Age (Yrs)	18.7
Years To ASL	14.3
Inflation Factor At 2.75% to ASL	1.47

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.00% *
1994-2008	15 - Year Trend	0.00% *
1999-2008	10 - Year Trend	0.00%
2004-2008	5 - Year Trend	0.00%

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

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	28.84%
Net Salvage	-28.84%

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
1989	688,602.00	0.00	0.00%	86,469.00	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	666,712.83	0.00	0.00%	620,447.02	93.06%	(620,447.02)	-93.06%
2007	911,926.44	0.00	0.00%	606,637.06	66.52%	(606,637.06)	-66.52%
2008	589,039.89	0.00	0.00%	615,998.73	104.58%	(615,998.73)	-104.58%

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
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	1,922,656.58	0.00	0.00%	806,203.75	41.93%	(806,203.75)	-41.93%
2005 - 2007	1,697,665.40	0.00	0.00%	1,330,652.71	78.38%	(1,330,652.71)	-78.38%
2006 - 2008	2,167,679.16	0.00	0.00%	1,843,082.81	85.03%	(1,843,082.81)	-85.03%

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	%	Cost of Removal Amount	%	Net Salvage Amount	%
Three - Year Rolling Bands							
1961 - 2008	28,454,054.56	393,535.00	1.38	7,076,858.52	24.87	(6,683,323.52)	-23.49

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	35.0
Average Retirement Age (Yrs)	35.8
Years To ASL	-0.8
Inflation Factor At 2.75% to ASL	0.98

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.00% *
1994-2008	15 - Year Trend	0.00% *
1999-2008	10 - Year Trend	0.00%
2004-2008	5 - Year Trend	0.00%

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

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	24.34%
Net Salvage	-24.34%

Rochester Gas & Electric
Gas Plant
380.20 SERVICES - PLASTIC

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 2003 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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	318,540.26	5,633.65	1.77%	319,127.84	100.18%	(313,494.19)	-98.42%
2007	345,895.37	35,837.91	10.36%	49,800.71	14.40%	(13,962.80)	-4.04%
2008	1,786,166.03	10,371.88	0.58%	98,353.12	5.51%	(87,981.24)	-4.93%

Rochester Gas & Electric
Gas Plant
380.20 SERVICES - PLASTIC

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 2003 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
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	979,616.55	5,633.65	0.58%	789,265.00	80.57%	(783,631.35)	-79.99%
2005 - 2007	791,471.69	41,471.56	5.24%	600,782.18	75.91%	(559,310.62)	-70.67%
2006 - 2008	2,450,601.66	51,843.44	2.12%	467,281.67	19.07%	(415,438.23)	-16.95%
2003 - 2008	3,318,667.21	51,843.44	1.56	950,706.57	28.65	(898,863.13)	-27.09

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	44.0
Average Retirement Age (Yrs)	13.6
Years To ASL	30.4
Inflation Factor At 2.75% to ASL	2.28

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	1.99%
1994-2008	15 - Year Trend	1.99%
1999-2008	10 - Year Trend	1.99%
2004-2008	5 - Year Trend	1.99%

Forcasted

Gross Salvage (Five Year Trend)	1.99%
Cost Of Removal	65.43%
Net Salvage	-63.44%

Rochester Gas & Electric
Gas Plant
381.00 METERS

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Annual Activity							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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%	436,216.68	40.69%	(436,216.68)	-40.69%
2004	2,360,733.26	0.00	0.00%	0.00	0.00%	0.00	0.00%
2005	1,077,519.46	0.00	0.00%	6,730.57	0.62%	(6,730.57)	-0.62%
2006	37,109.78	0.00	0.00%	40.66	0.11%	(40.66)	-0.11%
2007	242,109.23	0.00	0.00%	0.00	0.00%	0.00	0.00%
2008	286,409.72	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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%	646,003.20	38.93%	(518,496.84)	-31.25%
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	3,475,362.50	0.00	0.00%	6,771.23	0.19%	(6,771.23)	-0.19%
2005 - 2007	1,356,738.47	0.00	0.00%	6,771.23	0.50%	(6,771.23)	-0.50%
2006 - 2008	565,628.73	0.00	0.00%	40.66	0.01%	(40.66)	-0.01%

Rochester Gas & Electric
Gas Plant
381.00 METERS

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
1961 - 2008	12,058,567.99	570,488.36	4.73	783,972.43	6.50	(213,484.07)	-1.77

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	27.0
Average Retirement Age (Yrs)	17.4
Years To ASL	9.6
Inflation Factor At 2.75% to ASL	1.30

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	6.20%
1994-2008	15 - Year Trend	3.69%
1999-2008	10 - Year Trend	0.00% *
2004-2008	5 - Year Trend	0.00%

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

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	8.43%
Net Salvage	-8.43%

Rochester Gas & Electric
Gas Plant
382.00 METER INSTALLATION

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1999 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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	69,870.52	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%
2008	379,405.63	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
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	69,870.52	0.00	0.00%	0.00	0.00%	0.00	0.00%
2005 - 2007	391,357.51	0.00	0.00%	0.00	0.00%	0.00	0.00%
2006 - 2008	770,763.14	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999 - 2008	3,073,021.30	0.00	0.00	65,902.12	2.14	(65,902.12)	-2.14

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	35.0
Average Retirement Age (Yrs)	15.3
Years To ASL	19.7
Inflation Factor At 2.75% to ASL	1.71

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.00%
1994-2008	15 - Year Trend	0.00%
1999-2008	10 - Year Trend	0.00%
2004-2008	5 - Year Trend	0.00%

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	3.66%
Net Salvage	-3.66%

Rochester Gas & Electric
Gas Plant
383.10 HOUSE REGULATORS

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1999 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	%	Cost of Removal Amount	%	Net Salvage Amount	%
Annual Activity							
1999	29,120.00	0.00	0.00%	24,304.00	83.46%	(24,304.00)	-83.46%
2000	18,148.00	241.99	1.33%	17,884.00	98.55%	(17,642.01)	-97.21%
2001	181,644.40	0.00	0.00%	630,669.89	347.20%	(630,669.89)	-347.20%
2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2003	93,615.46	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	4,448.15	0.00	0.00%	422.28	9.49%	(422.28)	-9.49%
2007	834.34	0.00	0.00%	0.00	0.00%	0.00	0.00%
2008	276.14	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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	0.00	0.00%	746,349.34	271.14%	(746,349.34)	-271.14%
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	4,448.15	0.00	0.00%	13,458.57	302.57%	(13,458.57)	-302.57%
2005 - 2007	5,282.49	0.00	0.00%	2,025.55	38.34%	(2,025.55)	-38.34%
2006 - 2008	5,558.63	0.00	0.00%	422.28	7.60%	(422.28)	-7.60%
1999 - 2008	328,086.51	241.99	0.07	801,995.91	244.45	(801,753.92)	-244.37

Trend Analysis (End Year) 2008

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

Annual Inflation Rate	2.75%
Average Service Life (ASL)	37.0
Average Retirement Age (Yrs)	17.6
Years To ASL	19.4
Inflation Factor At 2.75% to ASL	1.69

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.03%
1994-2008	15 - Year Trend	0.03%
1999-2008	10 - Year Trend	0.03%
2004-2008	5 - Year Trend	0.00%

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	413.66%
Net Salvage	-413.66%

Rochester Gas & Electric
Gas Plant
383.20 SPECIAL REGULATORS ON CUST. PREMISES

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1970 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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%	422.28	0.00%	(422.28)	0.00%
2007	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2008	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
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%	8,035.37	0.00%	(8,035.37)	0.00%
2005 - 2007	0.00	0.00	0.00%	2,025.55	0.00%	(2,025.55)	0.00%
2006 - 2008	0.00	0.00	0.00%	422.28	0.00%	(422.28)	0.00%

Rochester Gas & Electric
Gas Plant
383.20 SPECIAL REGULATORS ON CUST. PREMISES

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1970 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
1970 - 2008	2,042.00	0.00	0.00	8,553.37	418.87	(8,553.37)	-418.87

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	37.0
Average Retirement Age (Yrs)	32.7
Years To ASL	4.3
Inflation Factor At 2.75% to ASL	1.12

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.00%
1994-2008	15 - Year Trend	0.00%
1999-2008	10 - Year Trend	0.00%
2004-2008	5 - Year Trend	0.00%

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	470.32%
Net Salvage	-470.32%

Rochester Gas & Electric
Gas Plant
384.10 HOUSE REGULATOR INSTALLATIONS
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1999 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
1999	98,276.00	0.00	0.00%	82,344.00	83.79%	(82,344.00)	-83.79%
2000	64,522.00	893.25	1.38%	63,586.00	98.55%	(62,692.75)	-97.16%
2001	505,525.46	0.00	0.00%	1,804,442.47	356.94%	(1,804,442.47)	-356.94%
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	17,451.67	0.00	0.00%	1,627.61	9.33%	(1,627.61)	-9.33%
2007	3,560.91	0.00	0.00%	0.00	0.00%	0.00	0.00%
2008	940.39	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	%	Cost of Removal Amount	%	Net Salvage Amount	%
Three - Year Rolling Bands							
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	0.00	0.00%	2,250,219.30	265.56%	(2,250,219.30)	-265.56%
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	17,451.67	0.00	0.00%	30,971.21	177.47%	(30,971.21)	-177.47%
2005 - 2007	21,012.58	0.00	0.00%	7,807.09	37.15%	(7,807.09)	-37.15%
2006 - 2008	21,952.97	0.00	0.00%	1,627.61	7.41%	(1,627.61)	-7.41%
1999 - 2008	1,032,097.70	893.25	0.09	2,427,120.51	235.16	(2,426,227.26)	-235.08

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	37.0
Average Retirement Age (Yrs)	16.7
Years To ASL	20.3
Inflation Factor At 2.75% to ASL	1.74

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.04%
1994-2008	15 - Year Trend	0.04%
1999-2008	10 - Year Trend	0.04%
2004-2008	5 - Year Trend	0.00%

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	408.34%
Net Salvage	-408.34%

Rochester Gas & Electric
Gas Plant
384.20 SPECIAL REG. INSTALL ON CUST. PREMISES

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1970 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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%	1,627.61	0.00%	(1,627.61)	0.00%
2007	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2008	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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%	30,971.16	0.00%	(30,971.16)	0.00%
2005 - 2007	0.00	0.00	0.00%	7,807.03	0.00%	(7,807.03)	0.00%
2006 - 2008	0.00	0.00	0.00%	1,627.61	0.00%	(1,627.61)	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
1970 - 2008	59,719.00	2,192.00	3.67	53,695.16	89.91	(51,503.16)	-86.24

Trend Analysis (End Year) 2008

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

Annual Inflation Rate	2.75%
Average Service Life (ASL)	37.0
Average Retirement Age (Yrs)	38.8
Years To ASL	-1.8
Inflation Factor At 2.75% to ASL	0.95

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.00%
1994-2008	15 - Year Trend	0.00%
1999-2008	10 - Year Trend	0.00%
2004-2008	5 - Year Trend	0.00%

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	85.61%
Net Salvage	-85.61%

Rochester Gas & Electric
Gas Plant
387.10 TRANSPORTATION MONITORING EQUIP.

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 2003 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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%
2008	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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
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%
2006 - 2008	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2003 - 2008	102.52	0.00	0.00	171.96	167.73	(171.96)	-167.73

Trend Analysis (End Year) 2008

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

Annual Inflation Rate	2.75%
Average Service Life (ASL)	20.0
Average Retirement Age (Yrs)	14.0
Years To ASL	6.0
Inflation Factor At 2.75% to ASL	1.18

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	0.00%
1994-2008	15 - Year Trend	0.00%
1999-2008	10 - Year Trend	0.00%
2004-2008	5 - Year Trend	0.00%

Forcasted

Gross Salvage (Five Year Trend)	0.00%
Cost Of Removal	197.41%
Net Salvage	-197.41%

Rochester Gas & Electric
Common Plant
390.00 STRUCUTRES & IMPROVEMENTS

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
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	48,896.41	980.00	2.00%	31,985.03	65.41%	(31,005.03)	-63.41%
2007	183,263.25	0.00	0.00%	173,503.94	94.67%	(173,503.94)	-94.67%
2008	96,487.88	0.00	0.00%	472,162.62	489.35%	(472,162.62)	-489.35%

Rochester Gas & Electric

Common Plant

391.00 OFFICE FURINTURE & EQUIPMENT

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
1961	11,467.00	1,029.00	8.97%	50.00	0.44%	979.00	8.54%
1962	42,821.00	2,115.00	4.94%	3,752.00	8.76%	(1,637.00)	-3.82%
1963	20,983.00	3,422.00	16.31%	0.00	0.00%	3,422.00	16.31%
1964	30,229.00	5,382.00	17.80%	28.00	0.09%	5,354.00	17.71%
1965	21,824.00	2,224.00	10.19%	0.00	0.00%	2,224.00	10.19%
1966	58,397.00	14,860.00	25.45%	0.00	0.00%	14,860.00	25.45%
1967	13,127.00	1,500.00	11.43%	4.00	0.03%	1,496.00	11.40%
1968	9,966.00	2,507.00	25.16%	0.00	0.00%	2,507.00	25.16%
1969	13,846.00	1,598.00	11.54%	0.00	0.00%	1,598.00	11.54%
1970	18,699.00	1,821.00	9.74%	0.00	0.00%	1,821.00	9.74%
1971	14,678.00	1,926.00	13.12%	0.00	0.00%	1,926.00	13.12%
1972	15,558.00	1,614.00	10.37%	0.00	0.00%	1,614.00	10.37%
1973	22,794.00	90.00	0.39%	307.00	1.35%	(217.00)	-0.95%
1974	21,705.00	2,899.00	13.36%	0.00	0.00%	2,899.00	13.36%
1975	11,271.00	541.00	4.80%	0.00	0.00%	541.00	4.80%
1976	59,237.00	3,865.00	6.52%	0.00	0.00%	3,865.00	6.52%
1977	33,203.00	2,009.00	6.05%	254.00	0.76%	1,755.00	5.29%
1978	16,968.00	1,033.00	6.09%	0.00	0.00%	1,033.00	6.09%
1979	58,583.00	3,239.00	5.53%	0.00	0.00%	3,239.00	5.53%
1980	13,472.00	428.00	3.18%	0.00	0.00%	428.00	3.18%
1981	5,949.00	85.00	1.43%	3.00	0.05%	82.00	1.38%
1982	385.00	179.00	46.49%	225.00	58.44%	(46.00)	-11.95%
1983	42,345.00	366.00	0.86%	102.00	0.24%	264.00	0.62%
1984	4,673.00	516.00	11.04%	0.00	0.00%	516.00	11.04%
1985	5,582.00	71.00	1.27%	0.00	0.00%	71.00	1.27%
1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987	518.00	25.00	4.83%	0.00	0.00%	25.00	4.83%
1988	288,607.00	810.00	0.28%	0.00	0.00%	810.00	0.28%

Rochester Gas & Electric
Common Plant
391.00 OFFICE FURINTURE & EQUIPMENT
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
1989	142,503.00	37.00	0.03%	0.00	0.00%	37.00	0.03%
1990	176.00	20.00	11.36%	0.00	0.00%	20.00	11.36%
1991	60,679.00	0.00	0.00%	664.00	1.09%	(664.00)	-1.09%
1992	332,933.00	0.00	0.00%	146.00	0.04%	(146.00)	-0.04%
1993	43,138.00	857.00	1.99%	522.00	1.21%	335.00	0.78%
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	88,508.00	9,005.00	10.17%	473.00	0.53%	8,532.00	9.64%
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	323,492.57	0.00	0.00%	0.00	0.00%	0.00	0.00%
2003	-196,182.76	0.00	0.00%	235,628.87	0.00%	(235,628.87)	0.00%
2004	1,013,880.95	425,441.53	41.96%	0.00	0.00%	425,441.53	41.96%
2005	1,367,163.62	0.00	0.00%	4,212.80	0.31%	(4,212.80)	-0.31%
2006	187,554.74	0.00	0.00%	0.00	0.00%	0.00	0.00%
2007	966,905.58	0.00	0.00%	0.00	0.00%	0.00	0.00%
2008	5,462,862.25	0.00	0.00%	0.00	0.00%	0.00	0.00%

Rochester Gas & Electric
Common Plant
390.00 STRUCUTRES & IMPROVEMENTS
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
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	89,671.24	5,364.65	5.98%	56,342.74	62.83%	(50,978.09)	-56.85%
2005 - 2007	267,978.79	980.00	0.37%	227,374.09	84.85%	(226,394.09)	-84.48%
2006 - 2008	328,647.54	980.00	0.30%	677,651.59	206.19%	(676,671.59)	-205.90%

Rochester Gas & Electric
Common Plant
390.00 STRUCUTRES & IMPROVEMENTS
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1961 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Three - Year Rolling Bands							
1961 - 2008	25,600,898.84	351,026.78	1.37	3,198,969.17	12.50	(2,847,942.39)	-11.12

Trend Analysis (End Year) 2008

*Based Upon Three - Year Rolling Averages

Annual Inflation Rate	2.75%
Average Service Life (ASL)	30.0
Average Retirement Age (Yrs)	21.2
Years To ASL	8.8
Inflation Factor At 2.75% to ASL	1.27

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	2.72%
1994-2008	15 - Year Trend	3.29%
1999-2008	10 - Year Trend	3.94%
2004-2008	5 - Year Trend	0.49%

Forcasted

Gross Salvage (Five Year Trend)	0.49%
Cost Of Removal	15.87%
Net Salvage	-15.37%

Rochester Gas & Electric
Common Plant
392.00 TRANSPORTATION EQ. > 13000#

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1999 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage		Cost of Removal		Net Salvage	
		Amount	%	Amount	%	Amount	%
Annual Activity							
1999	3,377,217.00	166,917.00	4.94%	0.00	0.00%	166,917.00	4.94%
2000	1,237,806.00	247,776.00	20.02%	3,840.00	0.31%	243,936.00	19.71%
2001	3,246,337.85	367,378.00	11.32%	0.00	0.00%	367,378.00	11.32%
2002	2,152,605.03	0.00	0.00%	5,445.00	0.25%	(5,445.00)	-0.25%
2003	326,432.49	47,323.07	14.50%	0.00	0.00%	47,323.07	14.50%
2004	414,543.62	73,391.54	17.70%	0.00	0.00%	73,391.54	17.70%
2005	1,612,338.52	132,477.00	8.22%	0.00	0.00%	132,477.00	8.22%
2006	2,008,877.15	127,774.35	6.36%	0.00	0.00%	127,774.35	6.36%
2007	3,392,709.29	220,345.81	6.49%	0.00	0.00%	220,345.81	6.49%
2008	3,138,841.02	716,065.09	22.81%	68,790.55	2.19%	647,274.54	20.62%

Rochester Gas & Electric
Common Plant
392.00 TRANSPORTATION EQ. > 13000#

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1999 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
1999 - 2001	7,861,360.85	782,071.00	9.95%	3,840.00	0.05%	778,231.00	9.90%
2000 - 2002	6,636,748.88	615,154.00	9.27%	9,285.00	0.14%	605,869.00	9.13%
2001 - 2003	5,725,375.37	414,701.07	7.24%	5,445.00	0.10%	409,256.07	7.15%
2002 - 2004	2,893,581.14	120,714.61	4.17%	5,445.00	0.19%	115,269.61	3.98%
2003 - 2005	2,353,314.63	253,191.61	10.76%	0.00	0.00%	253,191.61	10.76%
2004 - 2006	4,035,759.29	333,642.89	8.27%	0.00	0.00%	333,642.89	8.27%
2005 - 2007	7,013,924.96	480,597.16	6.85%	0.00	0.00%	480,597.16	6.85%
2006 - 2008	8,540,427.46	1,064,185.25	12.46%	68,790.55	0.81%	995,394.70	11.66%
1999 - 2008	20,907,707.97	2,099,447.86	10.04	78,075.55	0.37	2,021,372.31	9.67

Trend Analysis (End Year) **2008**

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

Annual Inflation Rate	2.75%
Average Service Life (ASL)	12.0
Average Retirement Age (Yrs)	7.2
Years To ASL	4.8
Inflation Factor At 2.75% to ASL	1.14

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	8.64%
1994-2008	15 - Year Trend	8.64%
1999-2008	10 - Year Trend	8.64%
2004-2008	5 - Year Trend	12.30%

Forcasted

Gross Salvage (Five Year Trend)	12.30%
Cost Of Removal	0.42%
Net Salvage	11.88%

Rochester Gas & Electric
Common Plant
396.00 POWER OPERATED EQUIP.

Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1999 - 2008

Year	Orginal Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Three - Year Rolling Bands							
1999 - 2001	93,763.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000 - 2002	43,256.00	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	15,935.30	0.00%	0.00	0.00%	15,935.30	0.00%
2003 - 2005	16,292.69	73,221.30	449.41%	0.00	0.00%	73,221.30	449.41%
2004 - 2006	256,256.19	115,943.30	45.25%	0.00	0.00%	115,943.30	45.25%
2005 - 2007	397,525.90	235,434.06	59.22%	0.00	0.00%	235,434.06	59.22%
2006 - 2008	640,058.91	229,067.36	35.79%	4,244.39	0.66%	224,822.97	35.13%
1999 - 2008	750,114.60	302,288.66	40.30	4,244.39	0.57	298,044.27	39.73

Trend Analysis (End Year) **2008**

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

Annual Inflation Rate	2.75%
Average Service Life (ASL)	15.0
Average Retirement Age (Yrs)	5.3
Years To ASL	9.7
Inflation Factor At 2.75% to ASL	1.30

Gross Salvage
Linear Trend Analysis

1989-2008	20 - Year Trend	73.91%
1994-2008	15 - Year Trend	73.91%
1999-2008	10 - Year Trend	73.91%
2004-2008	5 - Year Trend	22.35%

Forcasted

Gross Salvage (Five Year Trend)	22.35%
Cost Of Removal	0.74%
Net Salvage	21.61%

Rochester Gas & Electric
Common Plant
396.00 POWER OPERATED EQUIP.
Forecasted Future Net Salvage
Based Upon Experienced Net Salvage 1999 - 2008

Year	Original Cost Of Retirements	Gross Salvage Amount	Gross Salvage %	Cost of Removal Amount	Cost of Removal %	Net Salvage Amount	Net Salvage %
Annual Activity							
1999	50,507.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000	43,256.00	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	15,935.30	0.00%	0.00	0.00%	15,935.30	0.00%
2005	16,292.69	57,286.00	351.61%	0.00	0.00%	57,286.00	351.61%
2006	239,963.50	42,722.00	17.80%	0.00	0.00%	42,722.00	17.80%
2007	141,269.71	135,426.06	95.86%	0.00	0.00%	135,426.06	95.86%
2008	258,825.70	50,919.30	19.67%	4,244.39	1.64%	46,674.91	18.03%

Exhibit 144

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Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
RGEDEP-1	Rochester Electric and Gas Corporation-Electric Depreciation Study as of December 31, 20	83	331 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 331	.pdf	No
			332 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 332	.pdf	No
			334 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 334	.pdf	No
			335 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 335	.pdf	No
			336 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 336	.pdf	No
			352 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 352	.pdf	No
			354 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 354	.pdf	No
			355 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 355	.pdf	No
			356 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 356	.pdf	No
			357.10-.21 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 357.10-.21	.pdf	No
			357.23 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 357.23	.pdf	No
			358 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 358	.pdf	No

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Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
			361 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 361	.pdf	No
			364 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 364	.pdf	No
			365 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 365	.pdf	No
			366 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 366	.pdf	No
			367 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 367	.pdf	No
			.368 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 368	.pdf	No
			390 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 390	.pdf	No
			35310 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 35310	.pdf	No
			36210 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 36210	.pdf	No
			36220 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 36220	.pdf	No
			36910 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 36910	.pdf	No
			36920 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 36920	.pdf	No
			36921 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 36921	.pdf	No

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Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
			37010 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37010	.pdf	No
			37310 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37310	.pdf	No
			37311 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37311	.pdf	No
			37312 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37312	.pdf	No
			37320 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37320	.pdf	No
			37321 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37321	.pdf	No
			37323 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37323	.pdf	No
			37330 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37330	.pdf	No
			39710 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 39710	.pdf	No
			39720 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 39720	.pdf	No
			331 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 331	.pdf	No
			332 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 332	.pdf	No
			333 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 333	.pdf	No

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Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
			334 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 334	.pdf	No
			335 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 335	.pdf	No
			336 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 336	.pdf	No
			357.10-21 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 357.10-21	.pdf	No
			352 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 352	.pdf	No
			353 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 353	.pdf	No
			354 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 354	.pdf	No
			355 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 355	.pdf	No
			356 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 356	.pdf	No
			357.23 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 357.23	.pdf	No
			358 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 358	.pdf	No
			361 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 361	.pdf	No
			364 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 364	.pdf	No

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Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
			365 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 365	.pdf	No
			366 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 366	.pdf	No
			367 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 367	.pdf	No
			368 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 368	.pdf	No
			390 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 390	.pdf	No
			36210 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 36210	.pdf	No
			36220 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 36220	.pdf	No
			36910 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 36910	.pdf	No
			36920 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 36920	.pdf	No
			36921 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 36921	.pdf	No
			37010 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37010	.pdf	No
			37310 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37310	.pdf	No
			37311 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37311	.pdf	No

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Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
			37312 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37312	.pdf	No
			37320 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37320	.pdf	No
			37321 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37321	.pdf	No
			37323 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37323	.pdf	No
			37330 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37330	.pdf	No
			39710 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 39710	.pdf	No
			39720 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 39720	.pdf	No
			AUS Consultants Depr Template	Depreciation Templates	.xls	No
			D08_re	2008 Database for Retirements, Additions, and Survivor	.xlsx	No
			DBTemplate	Template for D08	.xlsx	No
			Divisions	Division Descriptions	.xlsx	No
			DNS08_re	Database Net Salvage (cost of removal & salvage)	.xlsx	No
			GLAccounts	General Ledger 2008	.xlsx	No
			Locations	Probable Retirement Year and location within the Division	.xlsx	No
			Master	Company Name and Study Data	.xlsx	No

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Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
			PCD&VS - File Naming Conv	File Name and Convention	.doc	No
			RG&E Elec_LifeStatistics-Report	Summary of Transaction Activity	.pdf	No
			Tables-RG&E Electricity	Depreciation Tables for RG&E Electric Division	.xls	No
			Transactions	Transaction Code	.xlsx	No
RGEDEP-2	Rochester Electric and Gas Corporation-Gas & Common Depreciation Study as of December 31, 2008	42	381 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 381	.pdf	No
			382 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 382	.pdf	No
			390 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 390	.pdf	No
			37610 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37610	.pdf	No
			37620 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37620	.pdf	No
			37630 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37630	.pdf	No
			37810 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37810	.pdf	No
			37811 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 37811	.pdf	No
			38010 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 38010	.pdf	No

INDEX OF WORKPAPERS SUPPORTING DIRECT TESTIMONY OF THE DEPRECIATION PANEL (RG&E)						
Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
			38020 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 38020	.pdf	No
			38310 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 38310	.pdf	No
			38410 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 38410	.pdf	No
			38710 Shrinking Band ObservedLifeTable	Observed Life Table Analysis (Shrinking) for Account 38710	.pdf	No
			375 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 375	.pdf	No
			381 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 381	.pdf	No
			382 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 382	.pdf	No
			390 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling Common) for Account 390	.pdf	No
			390 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling Gas) for Account 390	.pdf	No
			37610 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37610	.pdf	No
			37620 Rollling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37620	.pdf	No
			37630 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37630	.pdf	No
			37810 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37810	.pdf	No

INDEX OF WORKPAPERS SUPPORTING DIRECT TESTIMONY OF THE DEPRECIATION PANEL (RG&E)						
Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
			37811 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 37811	.pdf	No
			38010 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 38010	.pdf	No
			38020 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 38020	.pdf	No
			38310 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 38310	.pdf	No
			38410 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 38410	.pdf	No
			38700 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 38700	.pdf	No
			38710 Rolling Band ObservedLifeTable	Observed Life Table Analysis (Rolling) for Account 38710	.pdf	No
			AUS Consultants Depr Template	AUS' Template for Depreciation Study	.xls	No
			D08_rc_rg	Actuarial Data	.xlsx	No
			DBTemplate	Database Templates	.xlsx	No
			Divisions	Divisions Descriptions	.xlsx	No
			DNS08_RG_RC	Net Salvage Files	.xlsx	No
			GLAccounts	General Ledger 2008	.xlsx	No
			Locations	Probable Retirement Year and Location within the Divisions	.xlsx	No
			Master	Master Excel Template	.xlsx	No
			PCD&VS - File Naming Conv	File Naming Convention	.doc	No

INDEX OF WORKPAPERS SUPPORTING DIRECT TESTIMONY OF THE DEPRECIATION PANEL (RG&E)						
Exhibit Reference	**Description of Exhibit**	**No. WP**	**Title of Workpaper (or WP) File**	**Content of Workpaper**	**WP Format**	**Trade Secret**
			RG&E Common-LifeStatistics-Report	Summary of Life Statistics for RG&E's Common Plant	.pdf	No
			RG&E Gas-LifeStatistics-Report	Summary of Life Statistics for RG&E's Gas Divisions	.pdf	No
			TABLES_RGE-Gas-Common 2008	Depreciation Tables for RG&E (Gas and Common)	.xls	No
			Transactions	Data on Transactions Activity	.xlsx	No

Exhibit 145

Rochester Gas & Electric
Electric Division

Summary of Original Cost of Utility Plant in Service as of December 31, 2008
and Calculation of Impact of Staff Proposed Services Lives and Net Salvage Versus Company Proposa

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Co. ASL (d)	Staff A.S.L./ Survivor Curve (e)	Staff Average Service Life (f)	Staff Gross Salvage % (g)	Staff Cost Of Removal % (h)	Total Staff Implicit Rate (i)	Total Staff Accrual (j)	Total Company Depr Exp (k)	Total Co Expense Adj'd For Staff Net Salv (l)	Total Staff Over (Under) Company Proposal (m)	Company/ Staff Net Salv Variance (n)	Company/ Staff ASL Variance (o)
	DEPRECIABLE PLANT													
	HYDRO													
331.00	Structures and Improvements	11,290,427	33.3	90-R2	90	0%	-5%	1.167%	131,722	408,939	370,326	(277,217)	(38,613)	(238,604)
332.00	Reservoirs, Dams & Waterways	30,569,298	30.5	60-L1	60	0%	-50%	2.500%	764,232	1,618,269	1,818,873	(854,036)	200,604	(1,054,641)
333.00	Waterwheels, Turbine and Generators	7,545,296	38.5	70-S0.5	70	0%	-50%	2.143%	161,685	245,600	365,192	(83,915)	119,592	(203,507)
334.00	Accessory Electric Equipment	2,032,563		85-L1	85	0%	0%	1.176%	23,913	56,313	48,782	(32,401)	(7,531)	(24,869)
335.00	Miscellaneous Power Plant Equipment	494,183		68-R1.5	68	0%	-50%	2.206%	10,901	17,793	26,834	(6,891)	9,041	(15,933)
336.00	Roads, Railroad and Bridges	1,704,625		75-SQ	75	0%	0%	1.333%	22,728	55,230	55,230	(32,502)	0	(32,502)
	Total Hydro Production Plant	53,636,393						2.08%	1,115,181	2,402,143	2,685,237	(1,286,962)	283,094	(1,570,056)
	TRANSMISSION PLANT													
350.20	Land Rights	5,467,281		75-SQ	75	0%	0%	1.333%	72,897	72,897	72,897	0	0	0
352.00	Structures and Improvements	7,147,797		50-R3	50	0%	-25%	2.500%	178,695	200,138	178,695	(21,443)	(21,443)	(0)
353.10	Station Equipment	193,108,992		63-R2	63	0%	0%	1.587%	3,065,222	3,371,744	3,065,222	(306,522)	(306,522)	0
354.00	Towers and Fixtures	6,443,961		60-R4	60	0%	-15%	1.917%	123,509	161,099	123,509	(37,590)	(37,590)	0
355.00	Poles and Fixtures	30,086,807		55-R2.5	55	0%	-10%	2.000%	601,736	765,846	601,736	(164,110)	(164,110)	0
356.00	Overhead Conductors and Devices	76,314,582	**62-R2**	66-R1.5	66	0%	-10%	1.667%	1,271,910	1,415,512	1,353,968	(143,602)	(61,544)	(82,058)
357.10-.21	Underground Conduit	15,559,136	**60-R5**	84-L3	84	0%	-20%	1.429%	222,273	311,183	311,183	(88,910)	0	(88,910)
357.23	Underground Conduit Devices <69KV	3,539,388		84-L3	84	0%	0%	1.190%	42,136	58,990	58,990	(16,854)	0	(16,854)
	Total Account 357	19,098,524							264,409	370,173	370,173	(105,764)	0	(105,764)
358.00	UG Conductors and Devices	90,239,690		62-R1.5	62	0%	-15%	1.855%	1,673,801	1,746,575	1,673,801	(72,774)	(72,774)	(0)
	Total Transmission Plant	427,907,633						1.69%	7,252,179	8,103,984	7,440,001	(851,805)	(663,983)	(187,822)
	DISTRIBUTION PLANT													
360.20	Land Rights	7,925,810		75-SQ	75	0%	0%	1.333%	105,677	105,677	105,677	0	0	0
361.00	Structures and Improvements	8,480,370		60-R3	60	0%	-25%	2.083%	176,674	212,009	176,674	(35,335)	(35,335)	0
362.10	Station Equipment	102,751,219		63-R2	63	0%	-15%	1.825%	1,875,617	1,957,166	1,875,617	(81,549)	(81,549)	0
362.20	Station Equipment-Spare	4,573,495		52-R2	52	0%	0%	1.923%	87,952	87,952	87,952	(0)	0	(0)
	Total Account 362	107,324,714							1,963,569	2,045,118	1,963,569	(81,549)	(81,549)	0
364.00	Poles, Towers & Fixtures	107,225,076	**52-R1**	55-R0.5	55	0%	-15%	2.091%	2,241,979	3,608,536	2,371,324	(1,366,557)	(1,237,212)	(129,345)
365.00	Overhead Conductor & Devices	101,735,043		52-R1	52	0%	-10%	2.115%	2,152,087	2,739,020	2,152,087	(586,933)	(586,933)	0
366.00	Underground Conduit	147,023,978	**72-R2**	74-R2	74	0%	-15%	1.554%	2,284,832	3,675,599	2,348,300	(1,390,767)	(1,327,299)	(63,468)
367.00	Underground Conductor & Devices	138,137,221	**50-S5**	53-L0.5	53	0%	-10%	2.075%	2,866,999	3,591,568	3,039,019	(724,569)	(552,549)	(172,020)
368.00	Line Transformers	121,419,891	**50-R1.5**	62-L0.5	62	0%	-5%	1.694%	2,056,305	2,501,250	2,549,818	(444,945)	48,568	(493,513)

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Rochester Gas & Electric
Electric Division

Summary of Original Cost of Utility Plant in Service as of December 31, 2008
and Calculation of Impact of Staff Proposed Services Lives and Net Salvage Versus Company Proposa

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Co. ASL (d)	Staff A.S.L./ Survivor Curve (e)	Staff Average Service Life (f)	Staff Gross Salvage % (g)	Staff Cost Of Removal % (h)	Total Staff Implicit Rate (i)	Total Staff Accrual (j)	Total Company Depr Exp (k)	Total Co Expense Adj'd For Staff Net Salv (l)	Total Staff Over (Under) Company Proposal (m)	Company/ Staff Net Salv Variance (n)	Company/ Staff ASL Variance (o)
369.10	OH Services	17,414,138		55-R1	55	0%	-50%	2.727%	474,931	506,593	474,931	(31,662)	(31,662)	0
369.20	UG Services	16,917,005		35-R3	35	0%	-25%	3.571%	604,179	628,346	604,179	(24,167)	(24,167)	(0)
369.21	UG Services-Conduit	3,394,560		62-R2	62	0%	-10%	1.774%	60,226	60,226	60,226	0	0	0
	Total Account 369	37,725,703							1,139,336	1,195,165	1,079,110	(55,829)	(55,829)	(0)
370.10	Meters	40,562,086	**41-S0.5**	46-L1	46	0%	0%	2.174%	881,784	989,319	989,319	(107,535)	0	(107,535)
373.10	OH Street Light - Poles	14,726,759		33-L0	33	0%	-10%	3.333%	490,892	490,892	490,892	(0)	0	(0)
373.11	OH Street Lighting Conductor	2,031,327		33-L0	33	0%	-5%	3.182%	64,633	64,633	64,633	0	0	0
373.12	OH Street Lighting Fixtures	1,651,726		15-R1	15	0%	0%	6.667%	110,115	115,621	110,115	(5,506)	(5,506)	0
373.20	UG Street Lighting/Poles & Fixtures	8,121,557	**20-L0**	25-O3	25	0%	-5%	4.200%	341,105	466,990	426,382	(125,885)	(40,608)	(85,277)
373.21	UG Street Lighting/Signal System	3,931,870		32-O2	32	0%	-15%	3.594%	141,302	161,488	161,488	(20,186)	0	(20,186)
373.23	UG Street Lighting/Signal System Cond	3,371,656		45-R1	45	0%	-20%	2.667%	89,911	89,911	89,911	(0)	0	(0)
373.30	Substation Eq - Street Light	39,550		25-R1	25	0%	-20%	4.800%	1,898	1,898	1,898	0	0	0
	Total Account 373	33,874,447							1,239,856	1,391,433	1,345,319	(151,577)	(46,114)	(105,463)
	Total Distribution Plant	851,434,338						2.01%	17,109,100	22,054,694	18,180,442	(4,945,594)	(3,874,252)	(1,071,342)
	GENERAL PLANT													
390.00	Structures & Improvements	5,257,574		25-L0	25	0%	-50%	6.000%	315,454	241,848	315,454	73,606	73,606	0
397.10	Communication Eq-Overhead	2,919,699		25-L0	25	0%	-10%	4.400%	128,467	134,306	128,467	(5,839)	(5,839)	(0)
397.20	Communication Eq-UG Field Lines	3,813,979	**40-L3**	92-L0	92	0%	-20%	1.304%	49,748	114,419	114,419	(64,671)	0	(64,671)
	Total Account 397	6,733,678							178,214	248,725	242,886	(70,511)	(5,839)	(64,672)
	Total General Plant	18,724,929						2.64%	493,669	490,573	443,921	3,096	67,767	(64,671)
	Total Depr. Electric Plant in Service	1,351,703,293						1.92%	25,970,128	**33,051,394**	28,749,601	(7,081,265)	(4,187,374)	(2,893,892)
													-12.7%	**-8.8%**
	NON-DEPRECIABLE PLANT													
	Amortizable Plant													
303.00	Misc Intangible Plant	2,352,993												
330.10	Misc Intangible Plant	3,132,171												
	Total Amortizable Plant	5,485,164												

Rochester Gas & Electric
Electric Division

Summary of Original Cost of Utility Plant in Service as of December 31, 2008
and Calculation of Impact of Staff Proposed Services Lives and Net Salvage Versus Company Proposa

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Co. ASL (d)	Staff A.S.L./ Survivor Curve (e)	Staff Average Service Life (f)	Staff Gross Salvage % (g)	Staff Cost Of Removal % (h)	Total Staff Implicit Rate (i)	Total Staff Accrual (j)	Total Company Depr Exp (k)	Total Co Expense Adj'd For Staff Net Salv (l)	Total Staff Over (Under) Company Proposal (m)	Company/ Staff Net Salv Variance (n)	Company/ Staff ASL Variance (o)
	LAND													
310.00	Land	497,363												
330.00	Land	1,619,533												
350.10	Land	4,361,120												
360.10	Land	1,621,144												
389.00	Land	69,409												
	Total Land	8,168,568												
	Vintage Year Accounting													
391.00	Office Furniture & Equipment	1,901,481												
394.00	Tools, Shop & Garage Equipment	6,615,056												
395.00	Laboratory Equipment	2,927,965												
397.00	Communication Equipment	2,942,595												
398.00	Miscellaneous Equipment	9,034												
	TOTAL Vintage Year Accounting	14,396,131												
	Total Non-Depreclable Plant	28,049,864												
	Plant Not Studied													
	STEAM PLANT													
311.00	Structures and Improvements	5,727,504												
312.00	Boiler Plant Equipment	1,152,438												
314.00	Turbogenerator Units	120,357												
315.00	Accessory Electric Equipment	29,147												
316.00	Miscellaneous Power Plant Equipment	17,630												
	Total Steam Production Plant	7,047,076												
	OTHER PRODUCTION PLANT													
341.00	Structures and Improvements	98,485												
342.00	Fuel Holders, Producers and Accessory	213,805												
344.00	Generators	20,803,272												
345.00	Accessory Electric Equipment	495,616												
	Total Other Production Plant	21,611,179												
	TOTAL Electric Plant in Service	1,408,411,411												

Exhibit 146

Rochester Gas & Electric
Gas and Common Division

Summary of Original Cost of Utility Plant in Service as of December 31, 2008
and Calculation of Impact of Staff Proposed Services Lives and Net Salvage Versus Company Proposal

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Co. ASL (d)	Staff A.S.L./ Survivor Curve (e)	Staff Average Service Life (f)	Staff Gross Salvage % (g)	Staff Cost Of Removal % (h)	Revised Sch 2-8-10 Staff DP-3 Page 1 of 3 (i)	Staff Accrual (j)	Total Company Depr Exp (k)	Total Co Expense Adj'd For Staff Net Salv (l)	Total Staff Over (Under) Company Proposal (m)	Company/ Staff Net Salv Variance (n)	Company/ Staff ASL Variance (o)
	DEPRECIABLE PLANT													
	Production Equipment													
325.20	PRODUCTION LEASEHOLDS	12,118		0	0	0%	0%							
330.00	WELL CONSTRUCTION	2,995		0	0	0%	0%							
331.00	WELL EQUIPMENT	4,093		0	0	0%	0%							
332.00	FIELD LINES	48,148		0	0	0%	0%							
335.05	DRILLING & CLEANING EQUIPMENT	3,508		0	0	0%	0%							
	TOTAL Production Equipment	70,861												
	Distribution Plant													
374.20	LAND RIGHTS	7,220,630		75-SQ	75	0%	0%	1.333%	96,251	96,275	96,275	(24)	0	(24)
375.00	STRUCTURES & IMPROVEMENTS	389,236		80-L1	80	0%	-10%	1.375%	5,352	10,865	10,392	(5,513)	(473)	(5,040)
376.10	MAINS - STEEL	193,983,377	**67-R2.5**	70-R2	70	0%	-65%	2.357%	4,572,188	4,921,966	4,777,203	(349,778)	(144,763)	(205,015)
376.20	MAINS - PLASTIC	124,509,010	**60-R4**	80-R1.5	80	0%	-65%	2.063%	2,568,621	3,527,755	3,423,998	(959,134)	(103,757)	(855,377)
376.30	MAINS - CAST IRON	842,060		64-L5	64	0%	-85%	2.891%	24,344	27,163	25,126	(2,819)	(2,037)	(782)
376.40	MAINS - VALVE GT 4 INCH	346,838		80-R3	80	0%	-85%	2.313%	8,022	13,874	12,833	(5,852)	(1,041)	(4,811)
	TOTAL Account 376	319,681,286							7,173,175	8,490,758	8,239,160	(1,317,583)	(251,598)	(1,065,985)
378.10	MEAS. AND REG. STAT EQUIP - INSIDI	10,124,798		35-L3	35	0%	-15%	3.286%	332,701	332,672	332,672	29	0	29
378.11	MEAS. AND REG. STAT EQ - OUTSIDE	7,849,679		24-O3	24	0%	-15%	4.792%	376,157	428,164	410,324	(52,007)	(17,840)	(34,167)
	TOTAL Account 378	17,974,477							708,857	760,836	742,996	(51,979)	(17,840)	(34,139)
380.10	SERVICES - STEEL	39,065,997	**35-R0.5**	45-O3	45	0%	-25%	2.778%	1,085,253	1,395,214	1,395,214	(309,961)	0	(309,961)
380.20	SERVICES - PLASTIC	160,450,403		44-L2	44	0%	-25%	2.841%	4,558,396	4,740,580	4,558,250	(182,184)	(182,330)	146
	TOTAL Account 380	199,516,400							5,643,649	6,135,794	5,953,464	(492,145)	(182,330)	(309,815)
381.00	METERS	20,771,792		26-R1.5	26	0%	-5%	4.038%	838,765	846,850	846,850	(8,086)	0	(8,085)
382.00	METER INSTALLATIONS	27,294,453	**35-L4**	45-S2	45	0%	0%	2.222%	606,483	713,157	713,157	(106,674)	0	(106,674)
383.10	HOUSE REGULATORS	4,955,179		40-S5.5	40	0%	-75%	4.375%	216,789	234,367	234,367	(17,578)	0	(17,578)
383.20	SPECIAL REG ON CUST. PREM	24,613		40-S4.5	40	0%	-25%	3.125%	769	1,164	832	(395)	(332)	(63)
	TOTAL Account 383	4,979,792							217,558	235,531	235,199	(17,973)	(332)	(17,641)
384.10	HOUSE REGULATOR INSTALLATIONS	9,742,098	**37-S6**	40-S6	40	0%	0%	2.500%	243,552	773,218	773,218	(529,666)	(0)	(529,666)
384.20	SPEC REG. INSTALL. ON CUST. PREM	642,093		50-S6	50	0%	0%	2.000%	12,842	0		12,842	0	12,842
	TOTAL Account 384	10,384,191							256,394	773,218	773,218	(516,824)	(0)	(516,824)

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Rochester Gas & Electric
Gas and Common Division

Summary of Original Cost of Utility Plant in Service as of December 31, 2008
and Calculation of Impact of Staff Proposed Services Lives and Net Salvage Versus Company Proposal

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Co. ASL (d)	Staff A.S.L./ Survivor Curve (e)	Staff Average Service Life (f)	Staff Gross Salvage % (g)	Staff Cost Of Removal % (h)	Revised Sch 2-8-10 Staff DP-3 Page 1 of 3 (i)	Staff Accrual (j)	Total Company Depr Exp (k)	Total Co Expense Adj'd For Staff Net Salv (l)	Total Staff Over (Under) Company Proposal (m)	Company/ Staff Net Salv Variance (n)	Company/ Staff ASL Variance (o)
387.00	OTHER EQUIPMENT	16,541		35-R3	35	0%	0%	2.857%	473	473	473	(0)	0	(0)
387.10	TRANs MONITORING EQUIP.	987,338		20-R2	20	0%	0%	5.000%	49,367	49,367	49,367	(0)	0	(0)
	TOTAL Account 387	1,003,879							49,839	49,840	49,840	(1)	0	(1)
	TOTAL Distribution Plant	609,216,136							15,596,325	18,113,124	17,660,551	(2,516,799)	(452,573)	(2,064,226)
	General Plant													
390.00	STRUCTURES & IMPROVEMENTS	369,965		40	40	0%	-10%	2.750%	10,174	11,627	11,627	(1,453)	0	(1,453)
	TOTAL STRUCT. & IMPROV.	369,965							10,174	11,627	11,627	(1,453)	0	(1,453)
	TOTAL General Plant	369,965							10,174	11,627	11,627	(1,453)	0	(1,453)
	TOTAL GAS Depreciable Plant	609,656,963							15,606,499	**18,124,751**	17,672,178	(2,518,252)	(452,573)	(2,065,679)
								Staff Adjusted Exhibit 2-8-2010:	15,606,041	17,638,623		(486,128)	-2.5%	-11.4%
	GAS AMORTIZABLE ACCOUNTS							**Staff Exhibit Variance:**	(458)	486,128		(2,032,124)		
301.00	ORGANIZATION	383										(458)		
302.00	FRANCHISES & CONSENTS	921										(2,032,582)		
303.00	INTANGIBLES	906,437												
								Staff Exhibit DP-3 376.20 Proposed Accrual:		2,587,998				
	TOTAL GAS Amortizable Accounts	907,741						376.20 Accrual Based Upon Staff Propoosed Parameters:		2,568,621				
	Gas Vintage Year Accounting							Staff Variance:		19,377				
394.00	TOOLS, SHOP, AND GARAGE EQUIp	3,260,371												
	TOTAL GAS Vintage Year Accounting	3,260,371												
	GAS NON-DEPRECIABLE PLANT													
374.10	LAND & LAND RIGHTS	223,981												
389.00	LAND & LAND RIGHTS	9,377												
	TOTAL GAS Non-Depreciable Plant	233,357												
	TOTAL GAS Utility Plant in Service	614,058,432												
	COMMON DEPRECIABLE PLANT													
390.00	STRUCTURES & IMPROVEMENTS	26,885,867	**35-L1.5**	47-O3	47	0%	-10%	2.340%	629,129	844,984	844,984	(216,866)	0	(215,855)
392.00	TRANSPORTATION EQUIPMENT	29,312,656	**8.90**	11-L3	11	8%	0%	8.384%	2,457,573	3,146,418	3,146,418	(688,845)	0	(688,845)
396.00	POWER OPERATED EQUIPMENT	5,845,014		12-L3	12	18%	0%	6.833%	399,390	465,220	465,220	(65,830)	0	(65,830)
	TOTAL COMMON Depreciable Plant	62,043,538							3,486,092	**4,456,622**	4,456,622	(970,530)	0	(970,530)

Rochester Gas & Electric
Gas and Common Division

Summary of Original Cost of Utility Plant In Service as of December 31, 2008
and Calculation of Impact of Staff Proposed Services Lives and Net Salvage Versus Company Proposal

Account No.	Description	Original Cost 12/31/08	Co. ASL	Staff A.S.L./ Survivor Curve	Staff Average Service Life	Staff Gross Salvage %	Staff Cost Of Removal %	Revised Sch 2-8-10 Staff DP-3 Page 1 of 3	Staff Accrual	Total Company Depr Exp	Total Co Expense Adj'd For Staff Net Salv	Total Staff Over (Under) Company Proposal	Company/ Staff Net Salv Variance	Company/ Staff ASL Variance
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
	COMMON AMORTIZABLE ACCOUNTS													
303.00	INTANGIBLES	83,970,698												
390.10-.50	STRUCTURES & IMPROVEMENTS	13,534,232												
	TOTAL COMMON Amortizable Acco	97,504,930												
	COMMON Vintage Year Accounting													
391.00	OFFICE FURNITURE AND EQUIPMENT	24,832,326												
393.00	STORES EQUIPMENT	517,426												
394.00	TOOLS, SHOP, AND GARAGE EQUIp	7,335,654												
395.00	LABORATORY EQUIPMENT	2,111,424												
397.00	COMMUNICATION EQUIPMENT	12,791,817												
398.00	MISCELLANEOUS EQUIPMENT	2,710,259												
	TOTAL COMMON Vintage Year Accounti	50,298,906												
	NON-DEPRECIABLE PLANT													
389.00	LAND & LAND RIGHTS	2,408,610												
	TOTAL COMMON Non-Depreciable !	2,408,610												
	TOTAL COMMON Utility Plant in Se	212,255,984												

(2) New Additions Now Included With Meters & House Regulators.
Amortize Undepreciated Balance of Prior Installation Cost Over Weighted Average Remaining Life.

Exhibit 147

New York State Electric and Gas Corporation
Gas Division

Summary of Original Cost of Utility Plant In Service as of December 31, 2008
and Calculation of Impact of Staff Proposed Services Lives and Net Salvage Versus Company Proposal

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Co ASL (d)	Staff A.S.L./ Survivor Curve (e)	Staff Average Service Life (f)	Staff Gross Salvage % (g)	Staff Cost Of Removal % (h)		Staff Depr Rate (i)	Total Staff Accrual (j)	Total Company Depr Exp (k)	Total Co Expense Adj'd For Staff Net Salv (l)	Total Staff Over (Under) Company Proposal (m)	Company/ Staff Net Salv Variance (n)	Company/ Staff ASL Variance (o)
	GAS DEPRECIABLE PLANT														
	Production Equipment														
305.00	STRUCTURES & IMPROVEMENTS	0		50 Yr Amort	50	0%	0%	(4)	2.000%	(1,060)	(10,595)	(10,595)	9,536	0	9,536
311.00	LIQUEFIED PETROLEUM GAS EQUIP.	0	20 Yr	50 Yr Amort	50	0%	0%	(4)	2.000%	16,325	163,249	163,249	(146,924)	0	(146,924)
	TOTAL Production Equipment	0								15,265	152,653	152,653	(137,388)	0	(137,388)
	Production Plant														
330.00	PRODUCING GAS WELL CONSTRUCTIC	22,695		50-R3	50	0%	0%		2.000%	454	477	454	(23)	(23)	(0)
331.00	PRODUCING GAS WELL EQUIPMENT	300,305		50-R3	50	0%	0%		2.000%	6,006	6,306	6,006	(300)	(300)	0
338.00	UNSUCCESSFUL EXPLORE. & DEV. CO:	1,896,070		50-R3	50	0%	0%		2.000%	37,921	37,921	37,921	0	0	0
	TOTAL Production Equipment	2,219,070								44,381	44,704	44,381	(323)	-323	0
	Storage Plant														
351.00	STRUCTURES & IMPROVEMENTS	2,044,372		20-SQ	20	0%	0%		5.000%	102,219	112,440	102,219	(10,221)	(10,221)	(0)
352.00	WELLS	3,146,639		20-SQ	20	0%	0%		5.000%	157,332	165,199	157,332	(7,867)	(7,867)	(0)
352.10	STORAGE LEASEHOLD & RIGHTS	454,100		20-SQ	20	0%	0%		5.000%	22,705	22,705	22,705	(0)	0	(0)
352.20	RESERVOIRS	449,966		20-SQ	20	0%	0%		5.000%	22,498	22,498	22,498	0	0	0
354.00	COMPRESSOR STATION EQUIP	8,455,912		20-SQ	20	0%	0%		5.000%	422,796	443,935	422,796	(21,139)	(21,139)	(0)
354.10	COMPRESSOR STATION EQUIP	8,634,595		0	0	0%	0%	(3)	0.000%	0	0	0	0	0	0
357.00	OTHER EQUIPMENT	24,380		20-SQ	20	0%	0%		5.000%	1,219	1,219	1,219	(0)	0	(0)
	TOTAL Storage Equipment	23,209,963								728,768	767,996	728,769	(39,228)	-39,227	(1)
	Transmission Plant														
365.20	TRANSMISSION RIGHT OF WAYS	1,938,194		100-h3	100	0%	0%		1.000%	19,382	25,843	25,843	(6,461)	0	(6,461)
366.00	STRUCTURES & IMPROVEMENTS	1,556,304		50-L4.5	50	0%	-10%		2.200%	34,239	34,239	34,239	(0)	0	(0)
367.00	MAINS	48,721,419	70-R4	75-R4	75	0%	-50%		2.000%	974,428	1,044,030	1,044,030	(69,602)	0	(69,602)
368.00	COMPRESSOR STATION EQUIPMENT	590,514		35-R4	35	0%	0%		2.857%	16,871	16,872	16,872	(1)	0	(1)
369.00	MEASURING & REG. STATION EQ.	8,021,701		50-R3	50	0%	-20%		2.400%	192,521	213,912	213,912	(21,391)	0	(21,391)
371.00	OTHER EQUIPMENT	379,018		25-h3	25	0%	0%		4.000%	15,161	15,161	15,161	(0)	0	(0)
	TOTAL Transmission Equipment	61,207,149								1,252,602	1,350,057	1,350,057	(97,455)	0	(97,455)
	Distribution Plant														
374.10	DISTRIBUTION RIGHTS OF WAYS	5,851,750		75-h2.5	75	0%	0%		1.333%	78,004	78,023	78,023	(19)	0	(19)
375.00	STRUCTURES & IMPROVEMENTS	2,314,290		65-R2.5	65	0%	0%		1.538%	35,594	48,214	38,572	(12,620)	(9,642)	(2,978)
376.10	MAINS - STEEL & OTHER	140,309,719		75-L2.5	75	0%	-85%		2.467%	3,461,441	3,741,593	3,460,973	(280,152)	(280,620)	468

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New York State Electric and Gas Corporation
Gas Division

Summary of Original Cost of Utility Plant in Service as of December 31, 2008
and Calculation of Impact of Staff Proposed Services Lives and Net Salvage Versus Company Proposal

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Co ASL (d)	Staff A.S.L./ Survivor Curve (e)	Staff Average Service Life (f)	Staff Gross Salvage % (g)	Staff Cost Of Removal % (h)	Staff Depr Rate (i)	Total Staff Accrual (j)	Total Company Depr Exp (k)	Total Co Expense Adj'd For Staff Net Salv (l)	Total Staff Over (Under) Company Proposal (m)	Company/ Staff Net Salv Variance (n)	Company/ Staff ASL Variance (o)
376.20	MAINS - PLASTIC	186,069,758	**60-R3**	70-h2	70	0%	-15%	1.643%	3,057,126	3,566,337	3,566,337	(509,211)	0	(509,211)
	TOTAL Account 376	326,379,477							6,518,567	7,307,930	7,027,310	(789,363)	-280,620	(508,743)
378.00	MEAS. AND REG. STATION EQUIP	20,156,132		60-h2	60	0%	-80%	3.000%	604,684	745,777	725,621	(141,093)	(20,156)	(120,937)
380.10	SERVICES - METAL	72,038,230		50-L1	50	0%	-55%	3.100%	2,233,185	2,233,185	2,233,185	0	0	0
380.20	SERVICES - PLASTIC	153,681,634	**45-R2**	60-R1	60	0%	-45%	2.417%	3,714,485	4,951,964	4,951,964	(1,237,479)	0	(1,237,479)
	TOTAL Account 380	225,719,864							5,947,670	7,185,149	7,185,149	(1,237,479)	0	(1,237,479)
381.00	METERS	24,325,202		30-R1.5	30	0%	-12%	3.773%	917,790	908,141	908,141	9,649	0	9,649
382.00	METER INSTALLATIONS	24,016,040	**35-R0.5**	45-L2	45	0%	0%	2.222%	533,636	686,173	686,173	(152,537)	0	(152,537)
383.00	HOUSE REGULATORS	4,001,860		45-L0	45	0%	-32%	2.933%	117,375	132,061	132,061	(14,686)	0	(14,686)
384.00	HOUSE REGULATOR INSTALLATIONS	11,579,353		40-L5	40	0%	0%	2.500%	289,484	289,484	289,484	(0)	0	(0)
385.00	INDUSTRIAL MEAS. & REG. STATION E(	8,982,702		60-R2	60	0%	-15%	1.917%	172,198	187,820	187,820	(15,622)	0	(15,622)
387.00	OTHER EQUIPMENT	66,947		35-R3	35	0%	0%	2.857%	1,913	1,913	1,913	(0)	0	(0)
	TOTAL Distribution Plant	653,393,618							15,216,914	17,570,685	17,260,267	(2,353,771)	-310,418	(2,043,353)
	General Plant													
390.00	STRUCTURES & IMPROVEMENTS	3,122,814		40-L2	40	0%	-5%	2.625%	81,974	93,684	93,684	(11,710)	0	(11,710)
390.10	LEASED	468,479		0	0	0%	0%	0.000%	0	46,848	46,848	(46,848)	0	(46,848)
	TOTAL STRUCT. & IMPROV.	3,591,293							81,974	140,532	140,532	(58,658)	0	(58,558)
392.00	TRANSPORTATION EQUIPMENT-CARS	98,494		10-R4	10	0%	10%	9.000%	8,864	14,774	14,774	(5,910)	0	(5,910)
392.10	TRANSPORTATION EQUIPMENT-OTHEI	5,544,783		10	10	0%	0%	10.000%	554,478	526,754	526,754	27,724	0	27,724
	TOTAL Account 392	5,643,276							563,343	541,528	541,528	21,815	0	21,815
396.00	POWER OPERATED EQUIPMENT	2,409,203		12-L4	12	0%	10%	7.500%	180,690	180,690	180,690	0	0	0
	TOTAL General Plant	11,643,772							826,007	862,750	862,750	(36,743)	0	(36,743)
	TOTAL GAS Depreciable Plant	751,673,571							18,083,938	**20,748,845**	20,398,877	(2,664,908)	-349,968	(2,314,940)

	(j)	(k)	(l)	(m)	(n)	(o)
Acct 305 & 311-Not On Staff DP-3:	15,265	152,653		(137,388)	**-1.7%**	**-11.2%**
Sub-Total:	18,068,672	20,596,192	Net	(2,527,520)		
Staff Exhibit DP-3:	18,057,846	20,577,069	(2,519,223)	(2,714,131)		
Staff Exhibit Variance:	10,826	19,123		(2,519,223) Staff Exhibit DP-3 S/B		
Net Amount:		(8,297)		(194,908) Staff Exhibit Error		
Company Total Distr:	15,216,914			**Recon**		
Staff Exhit-Co Distr Total Exp:	15,206,087			(2,527,520)		
Error on Staff Exhibit:	10,827		Net Amount:	(8,297)		
			Recon:	(2,519,223)		

GAS AMORTIZABLE ACCOUNTS

General Plant

Account No.	Description	Original Cost
391.00	OFFICE FURNITURE AND EQUIPMENT	701,756
393.00	STORES EQUIPMENT	71,691
394.00	TOOLS, SHOP, AND GARAGE EQUIPME	3,677,888
395.00	LABORATORY EQUIPMENT	1,136,526
397.00	COMMUNICATION EQUIPMENT	760,468
398.00	MISCELLANEOUS EQUIPMENT	4,320,081

New York State Electric and Gas Corporation
Gas Division

Summary of Original Cost of Utility Plant in Service as of December 31, 2008
and Calculation of Impact of Staff Proposed Services Lives and Net Salvage Versus Company Proposal

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Co ASL (d)	Staff A.S.L./ Survivor Curve (e)	Staff Average Service Life (f)	Staff Gross Salvage % (g)	Staff Cost Of Removal % (h)	Staff Depr Rate (i)	Total Staff Accrual (j)	Total Company Depr Exp (k)	Total Co Expense Adj'd For Staff Net Salv (l)	Total Staff Over (Under) Company Proposal (m)	Company/ Staff Net Salv Variance (n)	Company/ Staff ASL Variance (o)
	TOTAL Amort. General Plant	10,668,409												
	TOTAL GAS Amortizable Accounts	10,668,409												
	GAS NON-DEPRECIABLE PLANT													
301.00	ORGANIZATION	14,777												
302.00	INTANGIBLE	762,382												
303.00	SOFTWARE DEVELOPMENT	10,882,927												
304.00	PRODUCING LAND & LAND RIGHTS	26,728												
325.00	OTHER LAND & LAND RIGHTS	21,357												
365.10	TRANSMISSION LAND & LAND RIGHTS	157,906												
374.00	DISTRIBUTION LAND & LAND RIGHTS	344,322												
389.00	GENERAL LAND & LAND RIGHTS	158,865												
	TOTAL GAS Non-Depreciable Plant	12,369,264												
	TOTAL GAS Utility Plant in Service	774,711,245												

(2) New Additions Now Included With Meters & House Regulators.
Amortize Undepreciated Balance of Prior Installation Cost Over Weighted Average Remaining Life.

305.00 STRUCTURES & IMPROVEMENTS
311.00 LIQUEFIED PETROLEUM GAS EQUIP.

(4) Amort Period (Yrs)	Remaining Reserve Balance	Amortization Exp. Amount
50	52,975.97	-1,059.52
50	(816,242.62)	16,324.85

Exhibit 148

Public Utility

Depreciation Practices

August 1996

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Staff Subcommittee on Depreciation of

The NARUC Finance and Technology Committee

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4. The use of cost as a depreciation base tends to prevent manipulation of depreciation charges for financial expediency because the percentage of depreciation charges to plant is readily apparent from consideration of the income and balance sheet statements.

5. A cost depreciation base conforms to the accepted accounting principle that operating expenses should be based on cost and not be influenced by fair value estimates nor by what costs may be at some future date.

The 1954 report of the Committee on Depreciation revisited the matter of a proper depreciation base and concluded:

> This Committee's re-examination of the question as to what is the proper depreciation base, leads firmly to the conclusion that the claims advanced in support of economic depreciation are lacking in probative force. The Committee is convinced that the long-established cost basis is sound, practical and equitable and should be continued.

As a result, economic depreciation is not used in a regulatory environment.

Regulatory Considerations

Under traditional rate base, rate of return regulation, measurement of the rate of return produced by present or prospective rates for service is important. The rate of return is the ratio of two quantities: net earnings after expenses and rate base.

At least since the decision in the *Knoxville Water Company*, 212 U.S. 1, (1909), depreciation has been recognized in both the numerator and the denominator of this ratio, in that the expenses in the numerator include depreciation and the property investment in the denominator is after deduction of an amount to cover accrued depreciation. Since the Knoxville case, there has been increased awareness that there should be a consistent relationship between depreciation expense and accumulated depreciation *(Lindheimer v. Illinois Bell Telephone Company*, 292 U.S. 151, (1934)). That is, the depreciation deducted from rate base should be consistent with the annual depreciation expense.

If the objective is consistent treatment of depreciation, there are a number of questions which must be decided before a regulatory body arrives at an equitable final result. A number of regulatory bodies prescribe depreciation rates for utilities under their jurisdiction. The FCC, for example, prescribes rates for large telephone companies. It revises them every three years after receiving basic data, depreciation studies, and recommended rates submitted by the utility.

Prescribing depreciation rates is one of the most important regulatory commission activities impacting customer rates. The estimation of depreciation parameters is not, of course, a scientifically exact process, since it involves a large element of informed judgment regarding future developments. At the same time, it cannot be an arbitrary figure selected for convenience, because it must allocate the full cost over the life of the property in a rational manner. The depreciation rate is a calculated figure, and there is a zone of reasonableness within which the underlying parameters may be expected to lie.

If there is to be consistency between the numerator and the denominator in the rate of return calculation, the same depreciation deducted as an expense in the numerator must also be deducted in establishing the rate base in the denominator. Depreciation expense is a one-time entry affecting only the current year, whereas its inclusion in the depreciation reserve deduction from rate base is cumulative. As long as dollars remain in the reserve, they reduce the rate base and affect the amount of annual revenue required for return and income taxes.

The regulatory body prescribing depreciation rates is thus confronted with a decision which affects both the short-run and long-run interests of the customer and the company. If a commission prescribes rates which yield depreciation accruals that are too low, the revenue requirement in the short run may be lower. But the requirements for income taxes and return may offset the apparent savings in depreciation expense, so service rates in the long run may be higher. If depreciation rates are set so low that the revenue requirement fails to repay the capital invested in a group of property by the end of its service life, confiscation takes place or the unpaid cost remains in the rate base until amortized or expensed. On the other hand, if the regulatory body establishes depreciation rates toward the upper end of the zone of reasonableness, rates for service will be higher in the short-run, but may be lower in the long-run.

It is essential to remember that depreciation is intended only for the purpose of recording the periodic allocation of cost in a manner properly related to the useful life of the plant. It is not intended, for example, to achieve a desired financial objective or to fund modernization programs.

As pointed out earlier in this chapter, the depreciation expense reflected in the numerator of the rate of return calculation is almost always developed under the cost allocation concept. Consistency between numerator and denominator is easier to achieve, or at least easier to demonstrate, if the rate base is also developed under the same concept.

Some jurisdictions may consider a fair value rate base determined by considering reproduction cost, trended original cost, or an appraisal from which an appropriate calculated or observed depreciation reserve is deducted. The fair value rate base is used with the current cost of capital concept of rate of return. It is intended to reflect current economic facts based on the actual property involved and the conditions surrounding its use.

When the rate base is established using the cost allocation concept, the question of whether the depreciation deduction from rate base should be based on the actual depreciation reserve or on a calculated "theoretical reserve" arises. The latter may be defined as an estimate of the balance which should be in the depreciation reserve today, considering the distribution by ages of existing property, and assuming the correctness of the currently effective service life parameters and net salvage percentages. The theoretical reserve is calculated by deducting from the original cost the estimated future accruals at current rates and the estimated future net salvage credits or charges. The theoretical reserve may be either higher or lower than the book reserve.

Selecting the Projection Life Curve

The projection life is a projection, or forecast, of the future of the property. Historical indications may be useful in estimating a projection life curve. Certainly the observations based on the property's history are a starting point. Trends in life or retirement dispersion can often be expected to continue. Likewise, unless there is some reason to expect otherwise, stability in life or retirement dispersion can be expected to continue, at least in the near term.

Depreciation analysts should avoid becoming ensnared in the mechanics of the historical life study and relying solely on mathematical solutions. The reason for making an historical life analysis is to develop a sufficient understanding of history in order to evaluate whether it is a reasonable predictor of the future. The importance of being aware of circumstances having direct bearing on the reason for making an historical life analysis cannot be understated. These circumstances, when factored into the analysis, determine the application and limitations of an historical life analysis.

Past Indications as a Measure of Future Activity

How well does an historical life analysis reflect what may happen in the future? Will history repeat itself? These questions must be answered in order to use the results of an historical life analysis. The analyst should become familiar with the physical plant under study and its operating environment, including talking with the field people who use the equipment being studied. For example, such discussions could reveal unique circumstances that brought about premature retirement of certain property. If these circumstances are not likely to happen again, the analyst should modify the study to reflect what would likely happen based on present operating conditions. For example, if the analyst discovers that corrosive material used in equipment was used in a certain past period and noncorrosive improved material which lasts much longer is predominantly used now, the analyst should discount the period in which corrosive material was used as not being representative of future activity. For further discussion, see Chapter II.

Other Factors to be Considered

Company Plans

In addition to talking with field people, the analyst should talk with management. Understanding past and present company policies concerning maintenance practices and retirements will determine how well historical retirement patterns will be repeated in the future. A company might retire automobiles every three years and trucks every five years. This pattern would be present in the historical data; however, if management changes its policy, this retirement pattern would also change. Management might also reveal planned future retirements that follow no historical pattern. In such a case, the analyst could modify the historical retirement pattern to reflect management's plans for retirement of certain facilities. If

Depreciation account will be related to retirements of plant recorded simultaneously.[2] It is cautioned, however, that this is frequently not the case, with the result being that plant retirements are recorded in one time period and the associated gross salvage and cost of removal are recorded in a different time period. The impact of this timing mismatch can be largely negated by analyzing a band of years, as discussed below. Another point to consider when gathering data for analysis is that changes may have occurred in the composition of plant accounts. For example, the Federal Communications Commission's Uniform System Of Accounts for telephone corporations was revised effective January 1, 1988; and both the title and content of many plant accounts changed.

Once the source of information is established, the analysis of data can commence to determine the past relationship of net salvage to retirements, i.e., net salvage as a percent of plant retired for each of the depreciation categories being studied. Net salvage can be directly analyzed as a percent of retirements. However, in order to obtain a clear understanding of the composition of net salvage and the forces that cause it to change from year to year, generally it is best to analyze gross salvage and cost of removal separately as a percent of retirements. In making this analysis it is common to look at data for bands of years, such as 1988-93, 1989-94, 1990-95, etc. These bands may, or may not, coincide with the bands used in making the life analysis. They should be just broad enough so a fairly smooth trend can be detected, if one exists. If retirements are few or erratic from one period to another, it will be necessary to use a wider band. As a general rule, the greater the retirement activity, the shorter the band necessary for analysis, and vice versa. Also, the shorter the service life, the shorter the band needed, and vice versa. If the band is too long, it may mask any trend. However, with certain long-lived property, such as conduit and buildings, in order to obtain meaningful results it is usually necessary to examine data for a wide band of years, perhaps 20 or 30 years.

In many cases both gross salvage and cost of removal trend in the same direction so net salvage remains fairly steady. Quite often, when plant is removed with the intent of reusing it, the gross salvage is high but because of the extra care required to recover the plant in good condition, the cost of removal is also high. If the plant removed is old or obsolete, the gross salvage is low. In this case however, the cost of removal is also likely to be low since relatively less care is likely to be taken in the removal process.

Past trends should not be the sole guide in predicting future net salvage because they can be misleading. Recognition should be given to changes that may cause deviations from past trends, such as the kinds of materials to be removed in the future versus the kinds of materials that have been removed in the past, or changes in methods of removing plant from the way in which that plant was previously removed. Changes in company policy and environmental regulations can also affect the level of net salvage.

Most analysts are of the opinion that reasonable salvage and cost of removal estimates and forecasts can be made by trending experience and applying informed judgment. They believe it is difficult to justify the expense of detailed analyses. This would certainly hold true

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[2] Retirements, cost of removal and salvage associated with each specific work order or estimate are collected until the project is completed and closed. All amounts are then transferred to the Accumulated Depreciation account together.

Exhibit 149

Exhibit____(DEP-5)

New York State Electric & Gas/Rochester Gas & Electric

Comparison Illustration of Traditional Net Salvage Estimation Approach
Versus Depreciation Panel Approach of Using Recent 5 Year Expeditures
As Basis for Net Salvage Estimate (Calculations Based Upon Iowa 10-R3 Life and Curve)
And Additional Return Required (at 10%) Due to Staff Net Salvage Proposal Resulting Higher Rate Base

Age at Begin of Interval	Original Cost Investment	Cost of Removal -75%	Retirement Amount	Surviving Balance	Avg Balance	Depr Exp W/O Salv	Net Salv %	Calculated Net Salv Amount	Staff Net Salv Recovery	Traditional (Company) Depr Rate	Traditional (Company) Net Salv Recovery	Variance Staff Over (Under) Co. Recovery	Staff Recovery Depr Reserve	Company Recovery Depr Reserve	Staff Net Salv Prop.-Resulting Rate Base Over (Under) Co Proposal	10% Return on Higher Staff Rate Base
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
0.0	**1,000,000**		920	999,080	999,540	49,977.01	-75%	-690	3,140 (1)	7.50%	37,483	(34,343)	52,197	86,540	34,343	3,434
0.5	999,080	(690)	3,331	995,749	997,415	99,741.45	-75%	-2,499	6,279 (1)	7.50%	74,806	(68,527)	154,196	257,066	102,870	10,287
1.5	995,749	(2,499)	6,539	989,210	992,479	99,247.92	-75%	-4,904	6,279 (1)	7.50%	74,436	(68,156)	250,686	421,712	171,026	17,103
2.5	989,210	(4,904)	11,704	977,506	983,358	98,335.77	-75%	-8,778	6,279 (1)	7.50%	73,752	(67,472)	338,693	577,192	238,498	23,850
3.5	977,506	(8,778)	19,369	958,137	967,821	96,782.13	-75%	-14,527	6,279 (1)	7.50%	72,587	(66,307)	413,608	718,413	304,806	30,481
4.5	958,137	(14,527)	30,034	928,103	943,120	94,311.99	-75%	-22,525	6,279	7.50%	70,734	(64,455)	469,638	838,898	369,260	36,926
5.5	928,103	(22,525)	44,297	883,806	905,954	90,595.45	-75%	-33,223	10,647	7.50%	67,947	(57,300)	504,058	930,618	426,560	42,656
6.5	883,806	(33,223)	63,137	820,669	852,238	85,223.77	-75%	-47,353	16,791	7.50%	63,918	(47,126)	509,714	983,400	473,686	47,369
7.5	820,669	(47,353)	87,623	733,046	776,858	77,685.77	-75%	-65,717	25,281	7.50%	58,264	(32,983)	477,705	984,374	506,670	50,667
8.5	733,046	(65,717)	116,688	616,358	674,702	67,470.22	-75%	-87,516	36,669	7.50%	50,603	(13,934)	399,439	920,042	520,603	52,060
9.5	616,358	(87,516)	143,184	473,175	544,766	54,476.64	-75%	-107,388	51,267	7.50%	40,857	10,409	274,483	784,677	510,194	51,019
10.5	473,175	(107,388)	153,357	319,818	396,496	39,649.62	-75%	-115,018	68,239	7.50%	29,737	38,502	121,627	593,319	471,692	47,169
11.5	319,818	(115,018)	136,322	183,496	251,657	25,165.70	-75%	-102,241	84,598	7.50%	18,874	65,724	(19,949)	386,019	405,968	40,597
12.5	183,496	(102,241)	97,520	85,976	134,736	13,473.63	-75%	-73,140	95,576	7.50%	10,105	85,471	(110,660)	209,837	320,497	32,050
13.5	85,976	(73,140)	55,904	30,072	58,024	5,802.41	-75%	-41,928	97,060	7.50%	4,352	92,709	(136,842)	90,947	227,789	22,779
14.5	30,072	(41,928)	24,440	5,632	17,852	1,785.21	-75%	-18,330	87,943	7.50%	1,339	86,604	(113,481)	27,703	141,185	14,118
15.5	5,632	(18,330)	5,532	100	2,866	286.60	-75%	-4,149	70,131	7.50%	215	69,916	(66,926)	4,343	71,268	7,127
16.5	100	(4,149)	100	0	50	4.99	-75%	-75	47,958	7.50%	4	47,954	(23,212)	102	23,314	2,331
17.5	0	(75)	0	0	0		-75%	0	27,524	7.50%	0	27,524	4,238	27	-4,210	-421
			1,000,000			1,000,016		-750,000	754,222		750,012	**4,210**				531,602

(1) Used Average of First 5 Years

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Exhibit 150

Exhibit___(DEP-6)

RG&E-Electric

Summary of Net Salvage Experience, Staff Proposed Percents Versus Company Proposal

Acct No.	Description	Original Cost 12-31-08	ASL	1999-2008 Yearly Net Salv Exp (Range)	1999-2008 3-Yr Rolling Avg NetSalv Experience (Range)	Staff Net Salv % Estimate	Company Net Salv % Estimate	Staff Proposal (Under) Over Co	Depr Rate Impact	Annual Exp Impact
364	Poles, Towers & Fixtures	107,225,076	52	9% to -358%	-19% to -186%	-15%	-75%	-60%	-1.15%	(1,237,212)
365	Overhead Conductors/Devices	101,735,043	52	-1% to -687%	-48% to -192%	-10%	-40%	-30%	-0.58%	(586,933)
366	Underground Conduit	147,023,978	72	0% to -420%	-39% to -374%	-15%	-80%	-65%	-0.90%	(1,327,300)
367	Underground Conductors/Devices	138,137,221	50	-4% to -719%	-10% to -216%	-10%	-30%	-20%	-0.40%	(552,549)
										(3,703,994)

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Exhibit 151

RG&E-Gas/NYSE&G-Gas

Exhibit___(DEP-7)

Steel & Plastic Gas Distribution Mains and Steel & Plastic Services

(Summary of Depreciation Study Results of Various Depreciation Studies Perform By AUS Consultants Plus Additional Available North Eastern Study Results)

Client	Study As Of Date	376.10 Steel-Coated & Wrapped Mains ASL/Curve	376.10 Steel-Coated & Wrapped Mains Net Salv %	376.20 Plastic Mains ASL/Curve	376.20 Plastic Mains Net Salv %	380.10 Steel-Coated & Wrapped Services ASL/Curve	380.10 Steel-Coated & Wrapped Services Net Salv %	380.20 Plastic Services ASL/Curve	380.20 Plastic Services Net Salv %
Specific Companies									
Connecticut Natural Gas	12/31/1997	62-R3 (1)	-75% (1)			50-R2 (2)	-175% (2)		
Connecticut Natural Gas	12/31/2007	63-R3	-100%	59-R4	-100%	50-R1.5	-150%	50-R4	-150%
Great Plains Natural Gas	12/31/2001	60-R3	-55%	55-R3	-55%	45-R2.5	-120%	45-R2.5	-120%
Kansas Gas Service	12/31/2000	50-R2.5	-25%	50-R2.5	-25%	30-R1.5	-40%	30-R1.5	-40%
Montana Dakota Utilites-Gas	12/31/2001	45-R3	-60%	45-R3	-60%	40-R2.5	-175%	40-R3	-175%
New York State Elec & Gas	12/31/2003	70-h2.5	-25%	70-h2.5	-25%	45-	-50%	45-	-50%
Northern Utilities-NH	12/31/2000	45-R3	-25%	50-R2.5	-25%	38-R1.5	-60%	40-R2.5	-60%
Providence Gas Co	9/30/1994	55-S3	-30%	45-R3	-50%	40-R4 (2)	-170% (2)		
Rochester Gas & Electric	12/31/2003	80-h2.5 (1)	-65% (1)			44-h2.0 (2)	-15% (2)		
Southern Connecticut Gas	9/30/1998	70-R2.5	-20%	50-R2.5	-20%	45-R2	-125%	37-R2.5	-125%
Southern Connecticut Gas	9/30/2007	74-R2.5	-60%	50-L3	-25%	45-R0.5	-225%	45-S2	-40%
Boston Gas	12/31/1992	82-R4 (3)	-60%	50-L3	-60%	40-L3 (2)	-150% (2)		
Average of Specific Companies		**63**	**-50%**	**58**	**-49%**	**47**	**-132%**	**47**	**-109%**
1998-AGA Survey-Mean Average		**55**	**-36%**			**40**	**-53%**		
No of Companies Reporting		98	66			71	37		

Rochester Gas & Electric

	Date	376.10 ASL/Curve	376.10 Net Salv %	376.20 ASL/Curve	376.20 Net Salv %	380.10 ASL/Curve	380.10 Net Salv %	380.20 ASL/Curve	380.20 Net Salv %
COMPANY PROPOSED	12/31/2008	67-R2.5	-70%	60-R4	-70%	35-R0.5	-25%	44-L3	-30%
DEPRECIATION PANEL PROPOSED	12/31/2008	70-R2	-65%	80-R1.5	-65%	45-O3	-25%	44-L2	-25%
1999-2008 Co. Salv Experience			-5% to -219%		395% to -1500%		0% to -104%		-4% to -182%
1999-2008 Co. Salv Experience 3-Yr Rolling Avg			-15% to -144%		.3% to -325%		-24% to -85%		-17% to -80%

New York State Elec & Gas

	Date	376.10 ASL/Curve	376.10 Net Salv %	376.20 ASL/Curve	376.20 Net Salv %	380.10 ASL/Curve	380.10 Net Salv %	380.20 ASL/Curve	380.20 Net Salv %
COMPANY PROPOSED	12/31/2008	75-L2	-100%	60-R3	-15%	50-L1	-55%	45-R2	-45%
DEPRECIATION PANEL PROPOSED	12/31/2008	75-L2.5	-85%	70-h2.0	-15%	50-L1	-55%	60-R1	-45%
1999-2008 Co. Salv Experience			-51% to -816%		-4% to -38%		-24% to -141%		-22% to -248%
1999-2008 Co. Salv Experience 3-Yr Rolling Avg			-75% to -264%		-3% to -25%		-37% to -81%		-25% to -68%

(1) Total Mains Account
(2) Total Services Account
(3) Includes Steel and Cast Iron

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Exhibit 152

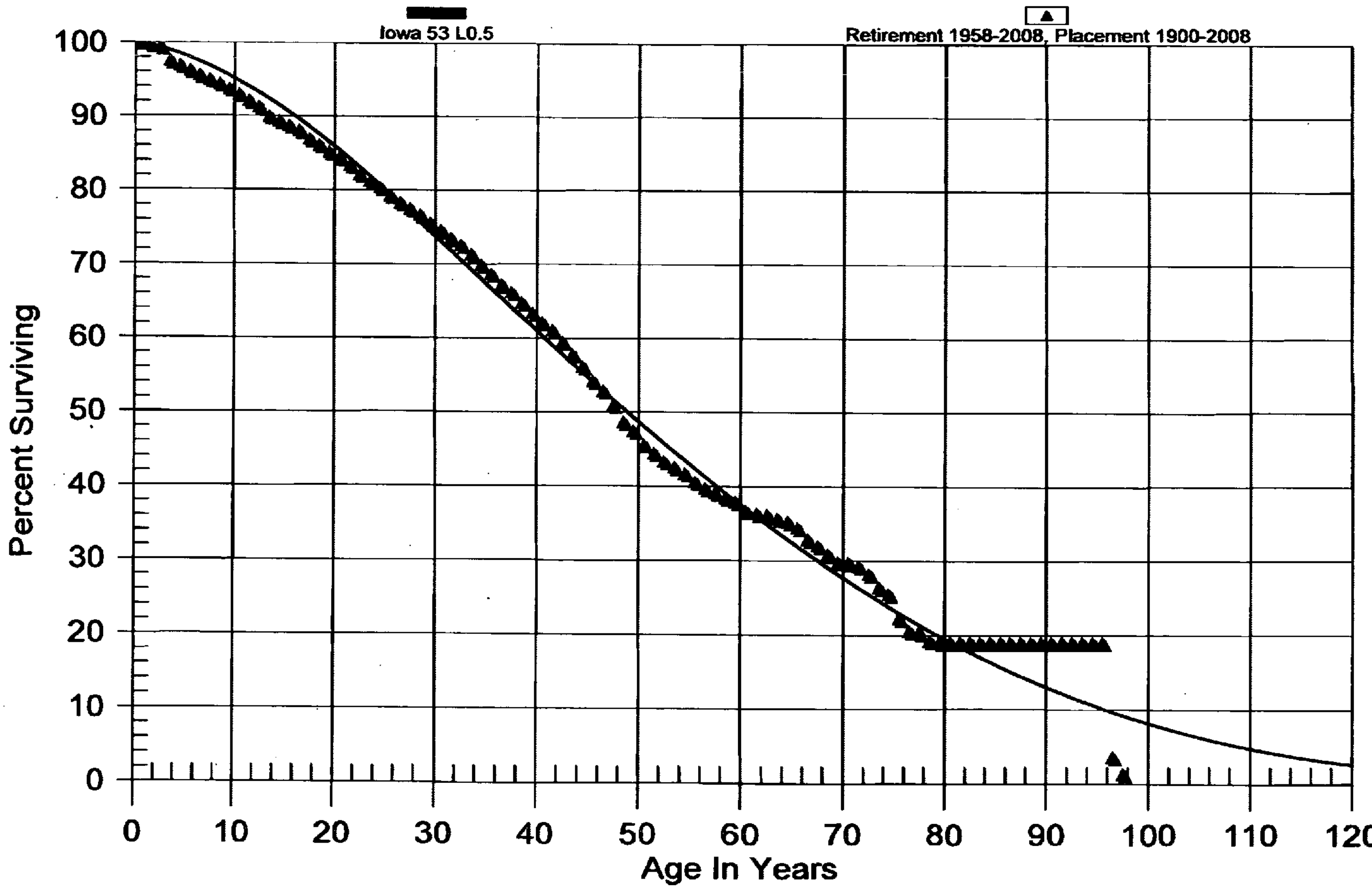
Exhibit____(DE
STAFF PROPOSAL

Rochester Gas & Electric

Electric Division

367.00 UNDERGROUND CONDUCTORS/DEVICES

Original And Smooth Survivor Curves



Cases 09-E-0715, et.al.

Staff

Exhibit___(DP-2)
Page 13 of 24

Exhibit 153

Exhibit____(DEP-9)
COMPANY PROPOSAL

x 153
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Rochester Gas & Electric
Electric Division
367.00 UNDERGROUND CONDUCTORS/DEVICES
Original And Smooth Survivor Curves

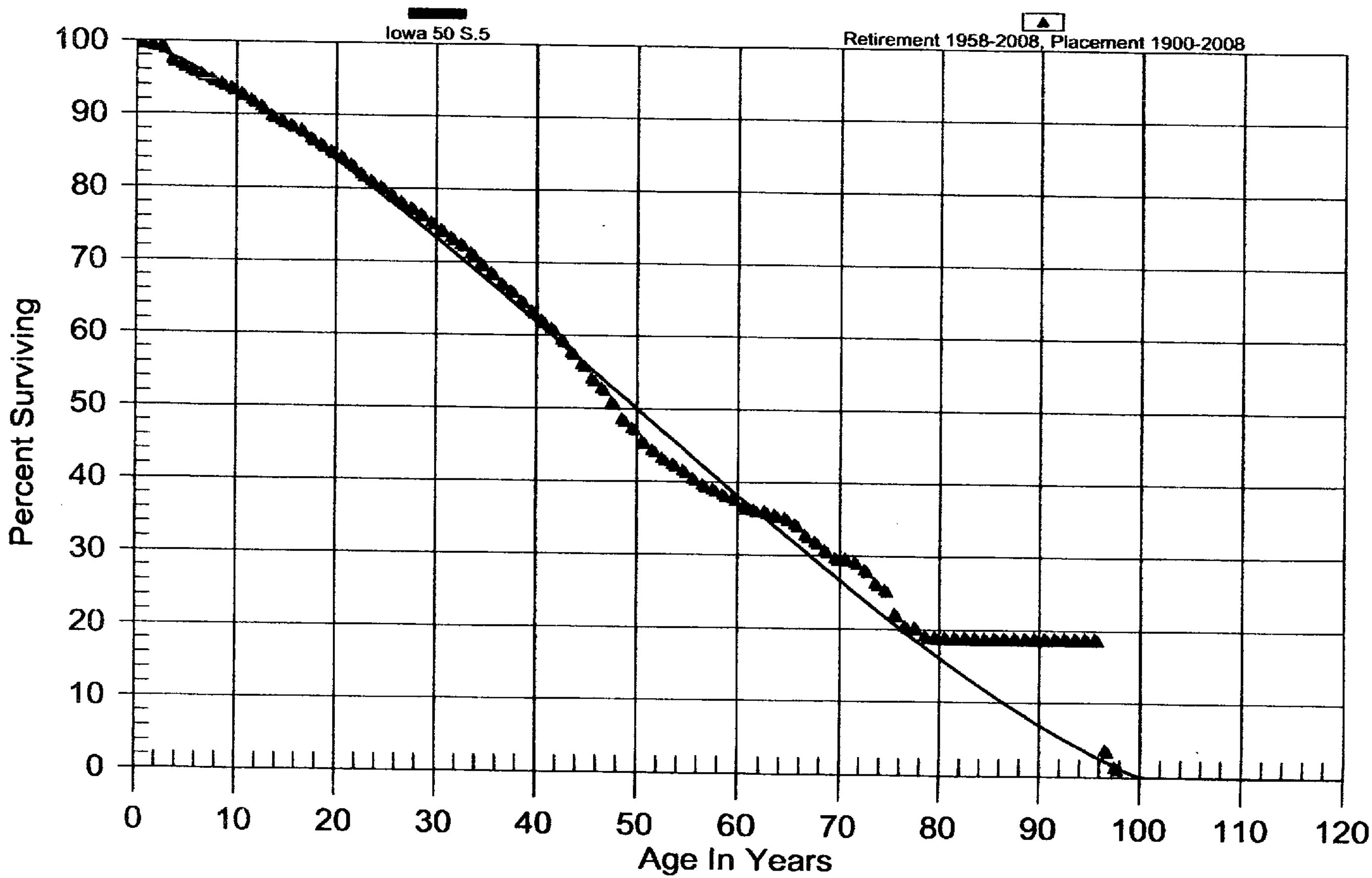

Exhibit 154

Exhibit___(DP
STAFF PROPOSAL

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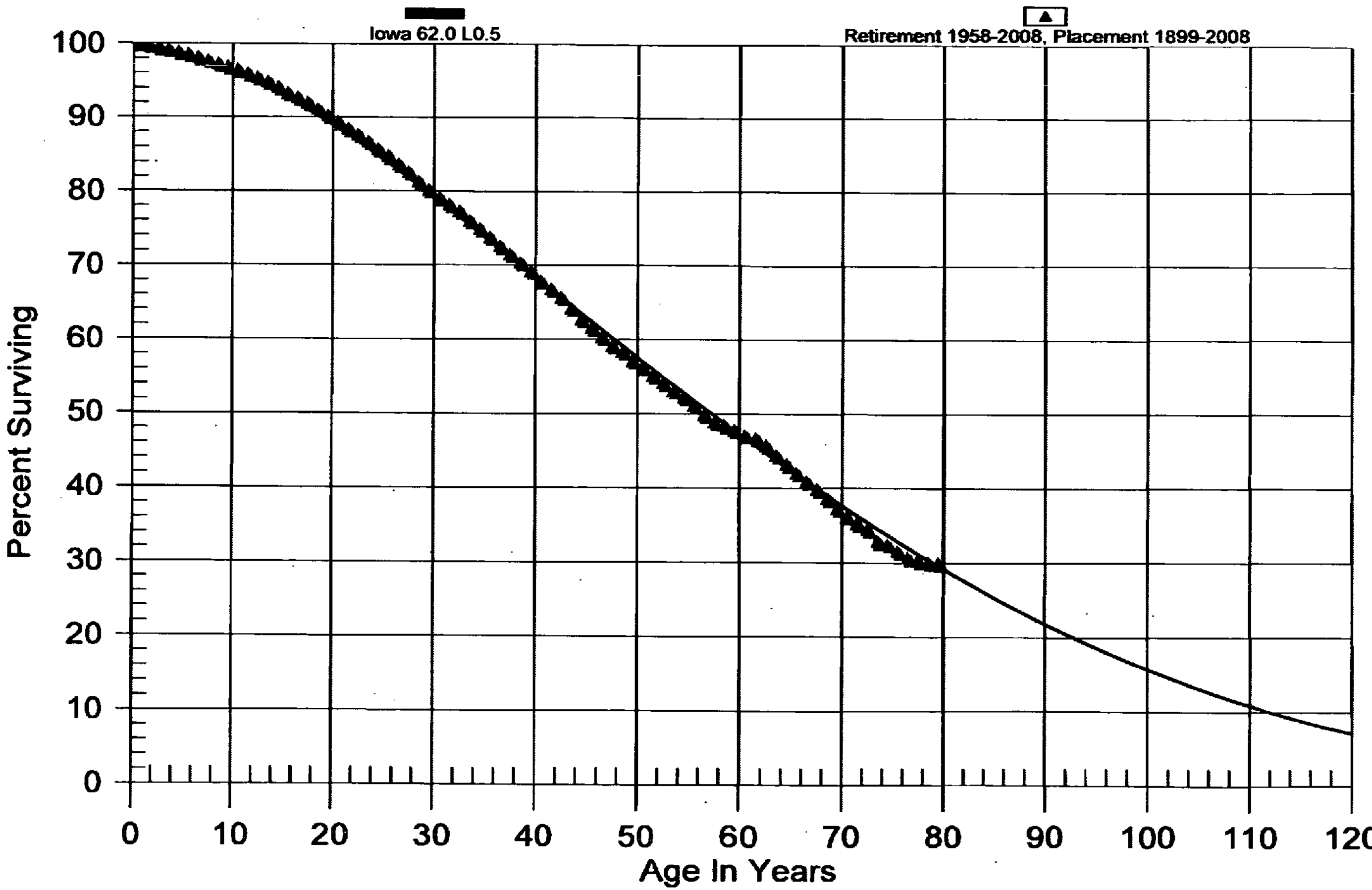
Rochester Gas & Electric
Electric Division
368.00 LINE TRANSFORMERS
Original And Smooth Survivor Curves



Cases 09-E-0715, et.al.

Staff

Exhibit___(DP-2)
Page 15 of 24

Exhibit 155

Exhibit____(DEP-11)
COMPANY PROPOSAL

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Rochester Gas & Electric
Electric Division
368.00 LINE TRANSFORMERS
Original And Smooth Survivor Curves

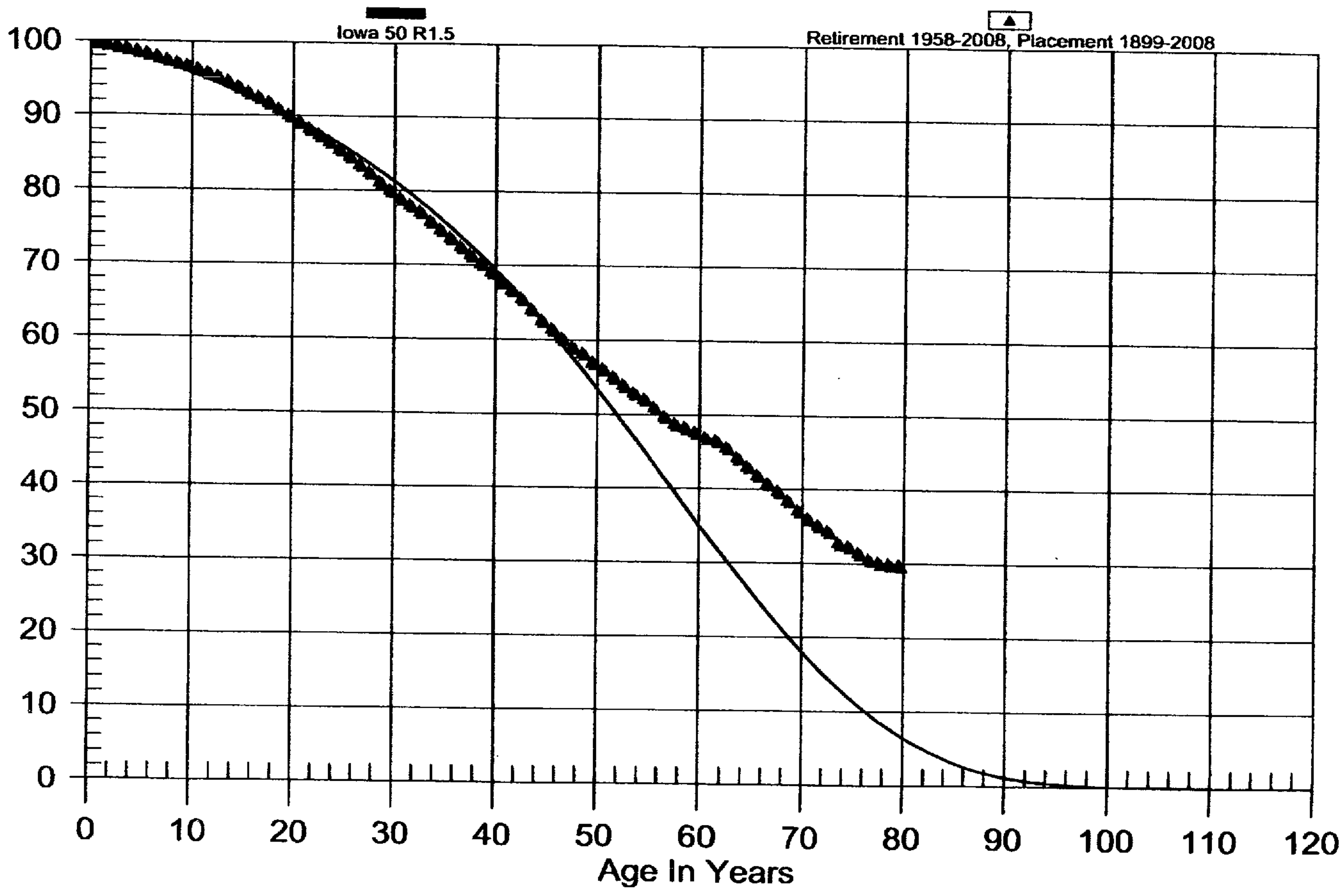

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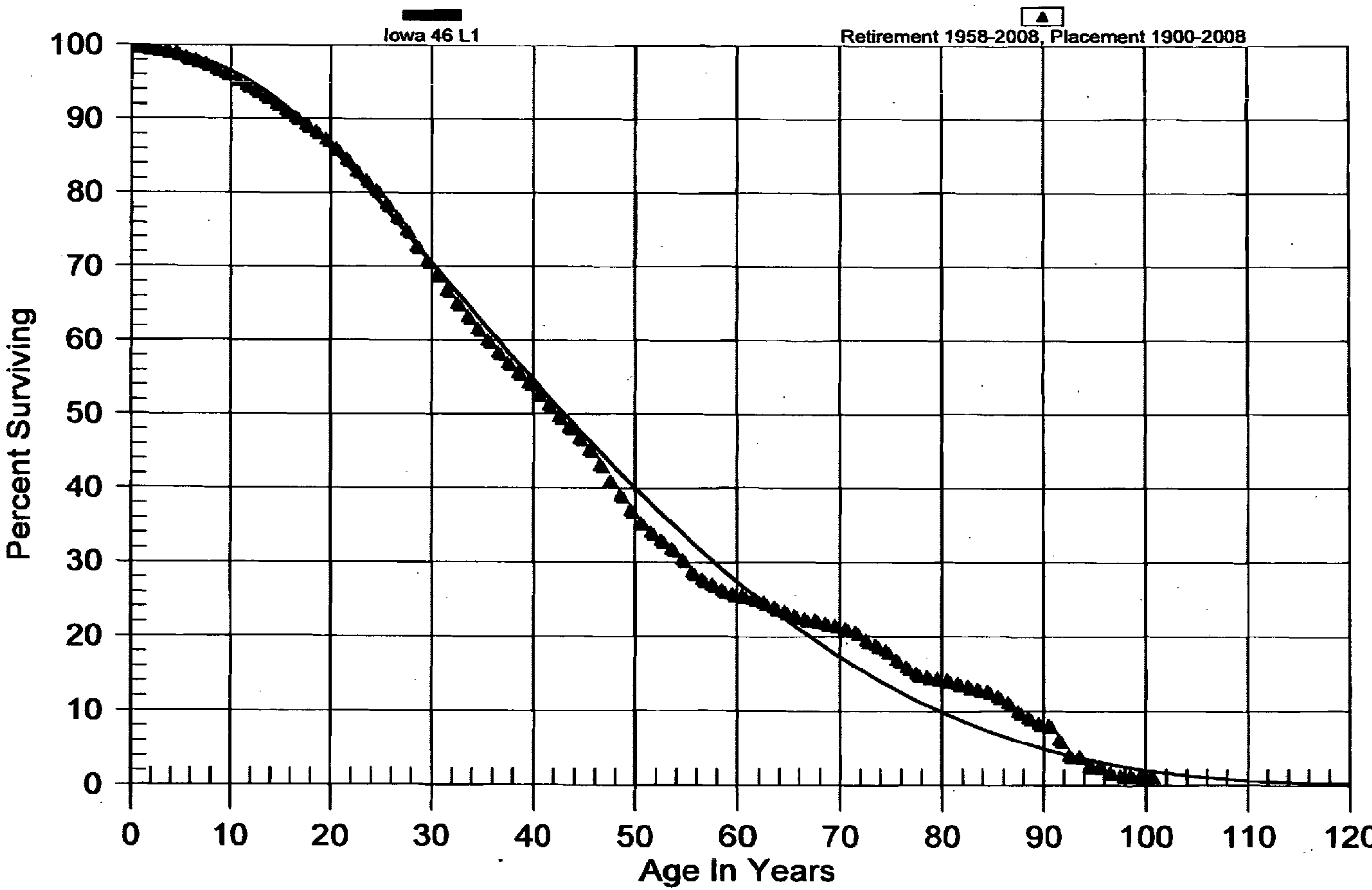
Exhibit 156

Exhibit____(DEP
STAFF PROPOSAL

Rochester Gas & Electric
Electric Division
370.10 METERS
Original And Smooth Survivor Curves



Cases 09-E-0715, et.al.

Staff

Exhibit__(DP-2)

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Exhibit 157

Exhibit____(DEP-13)
COMPANY PROPOSAL

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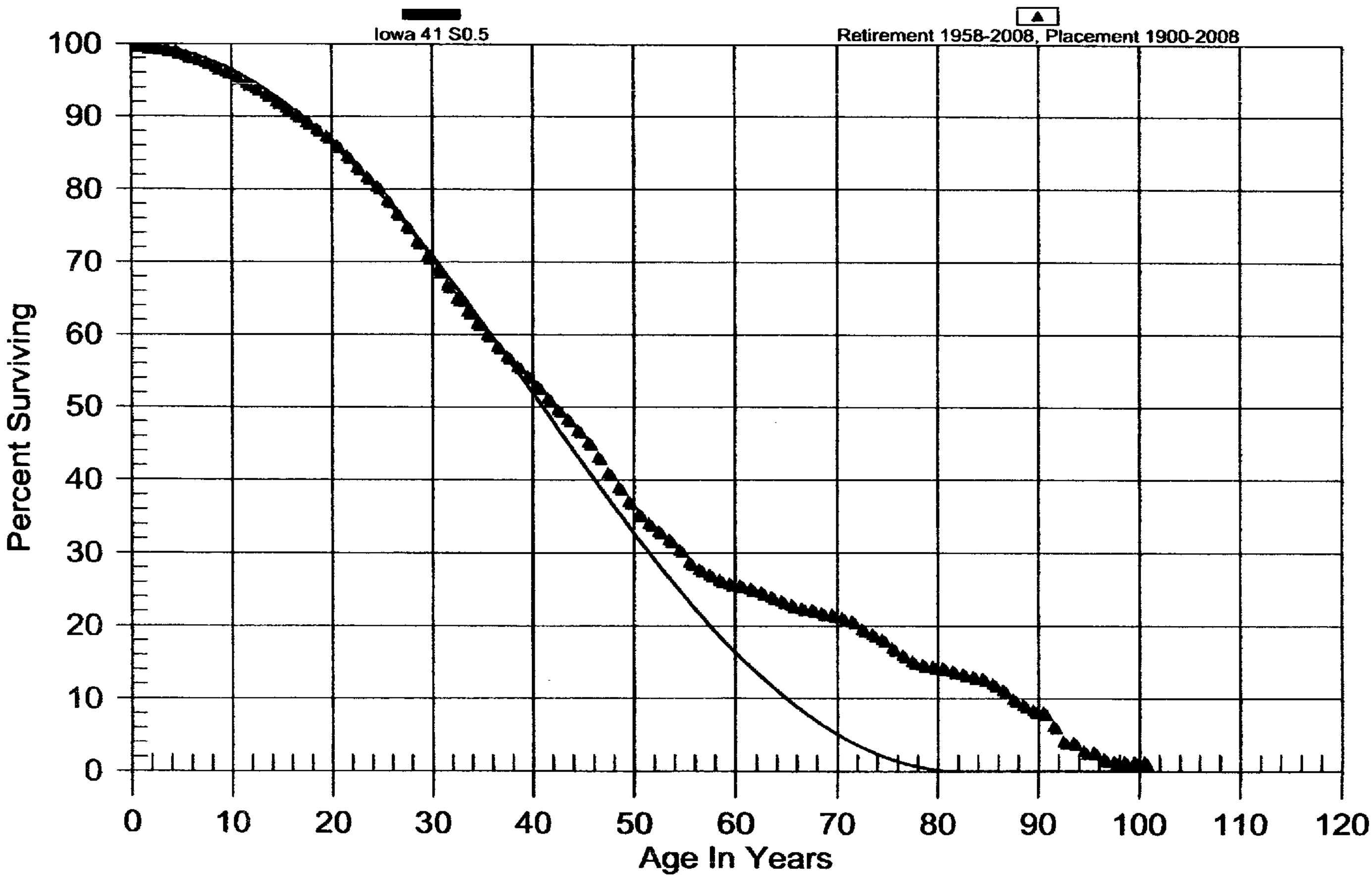
Rochester Gas & Electric
Electric Division
370.10 METERS
Original And Smooth Survivor Curves



5-82

Exhibit 158

Rochester Gas & Electric

Exhibit____(DEP)
STAFF PROPOSAL

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Gas Plant
380.10 SERVICES - STEEL
Original And Smooth Survivor Curves

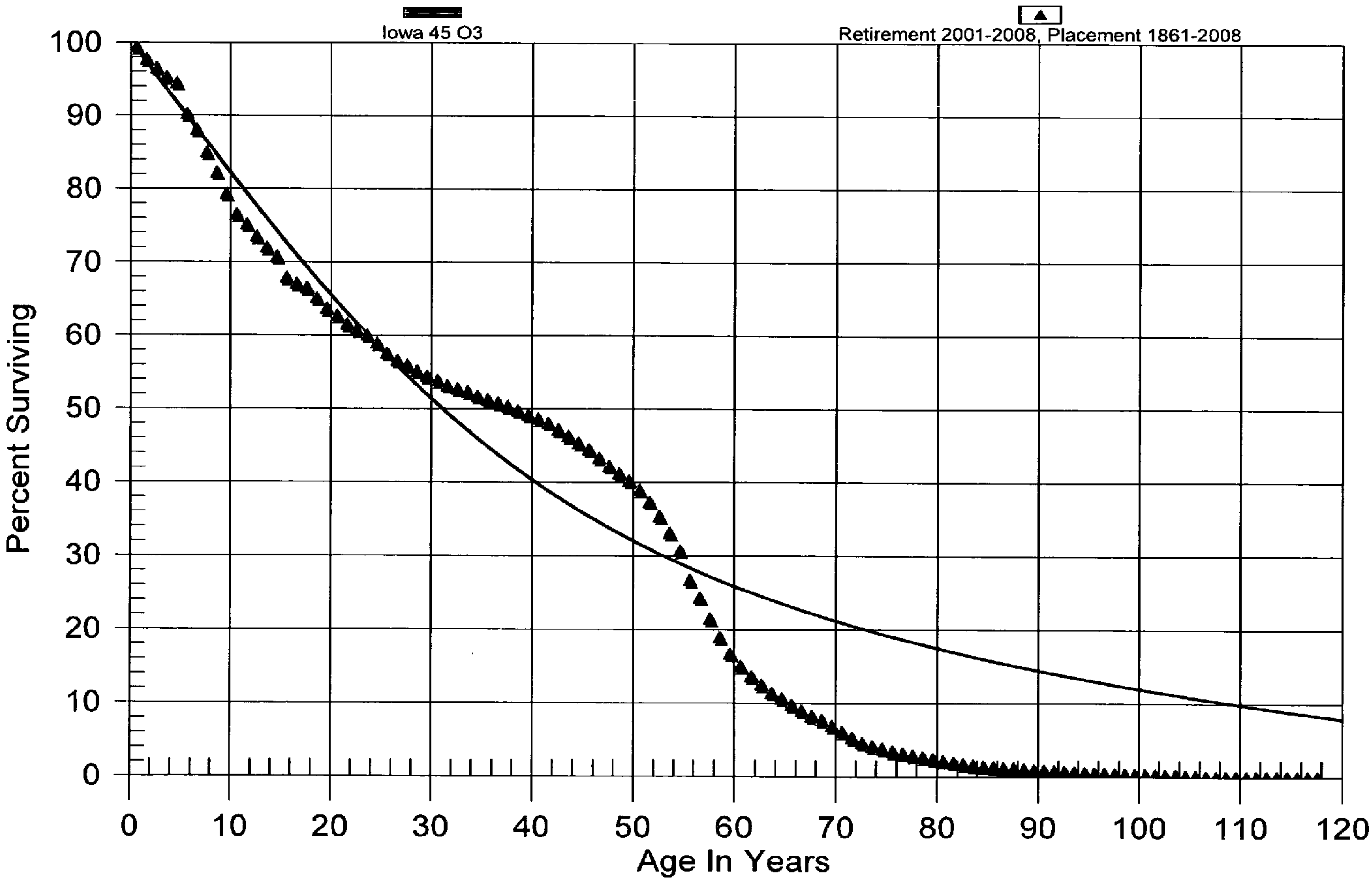

Exhibit 159

Rochester Gas & Electric

Gas Plant

380.10 SERVICES - STEEL

Original And Smooth Survivor Curves

Exhibit____(DEP-1
COMPANY PROPOSAL

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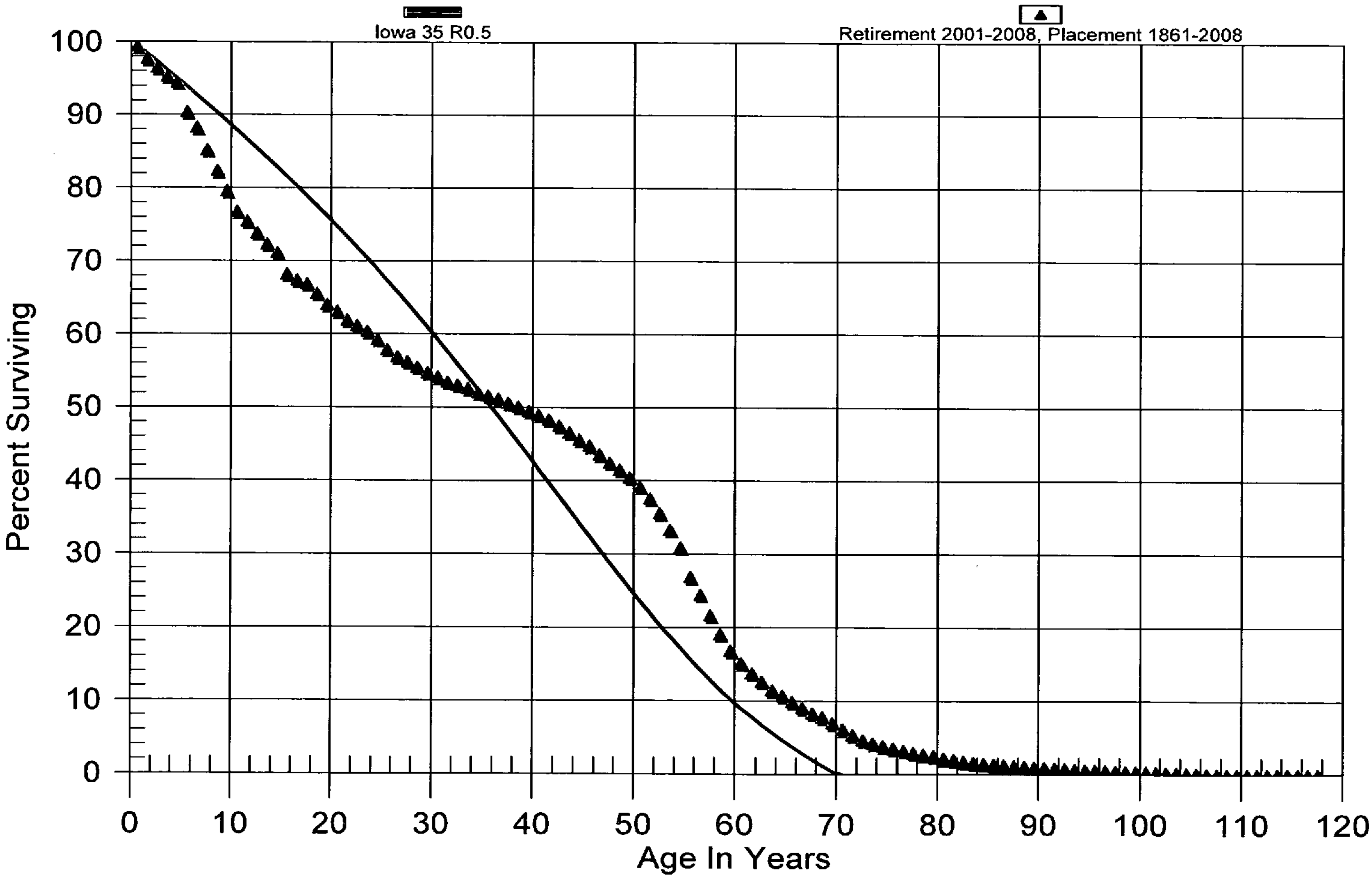

Exhibit 160

Rochester Gas & Electric

Gas Plant

376.10 MAINS - STEEL

Original And Smooth Survivor Curves

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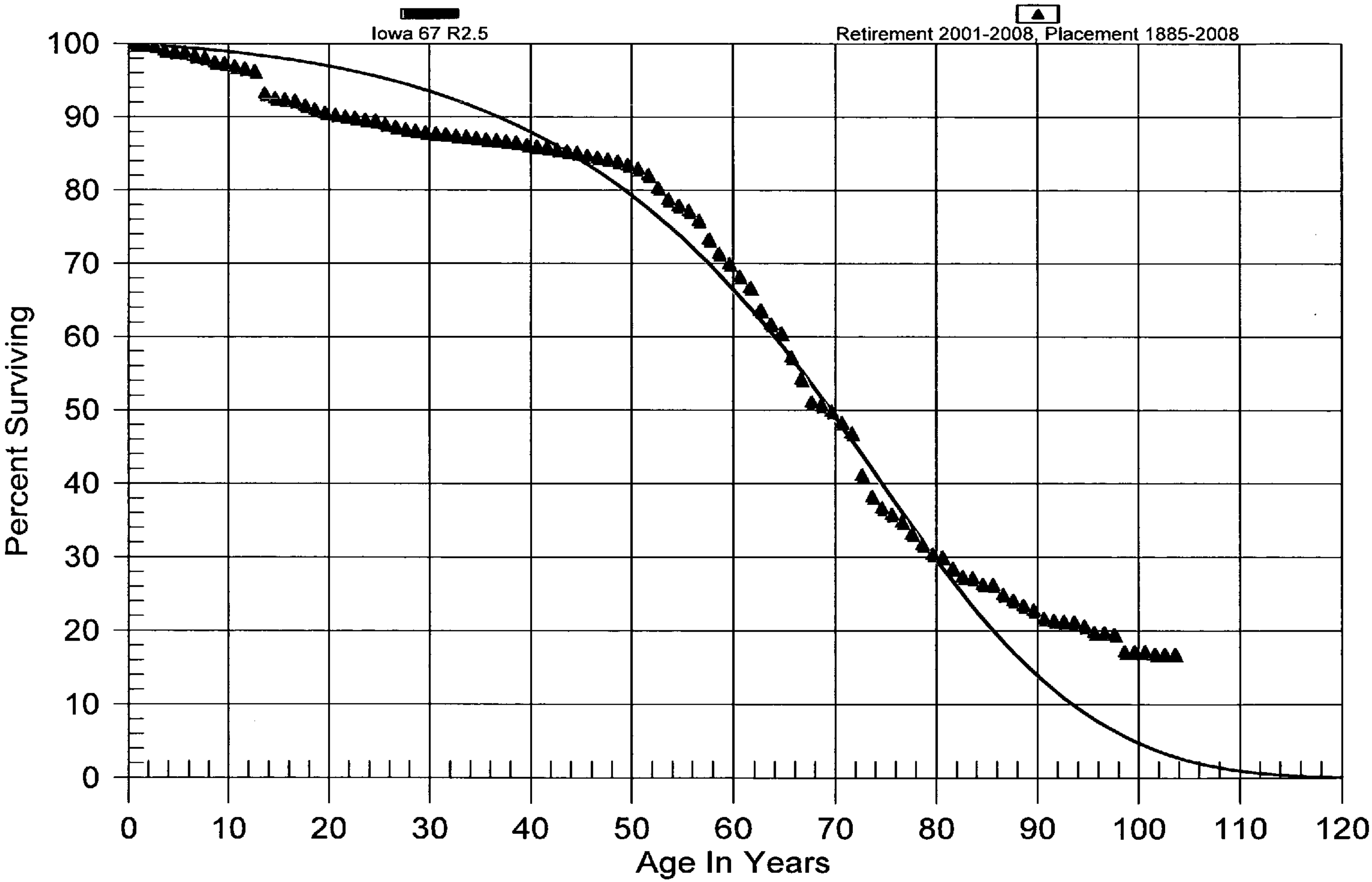


Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1885 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$41,389,373.30	$0.00	0.00000	100.00
0.5 - 1.5	$45,988,556.05	$10,183.24	0.00022	100.00
1.5 - 2.5	$47,431,701.73	$71,055.64	0.00150	99.98
2.5 - 3.5	$47,663,493.92	$300,387.20	0.00630	99.83
3.5 - 4.5	$44,089,522.23	$90,060.34	0.00204	99.20
4.5 - 5.5	$40,808,344.79	$20,566.06	0.00050	99.00
5.5 - 6.5	$20,786,516.68	$110,838.90	0.00533	98.95
6.5 - 7.5	$19,471,270.68	$41,442.33	0.00213	98.42
7.5 - 8.5	$17,829,659.02	$117,594.13	0.00660	98.21
8.5 - 9.5	$22,874,914.06	$29,677.71	0.00130	97.56
9.5 - 10.5	$28,553,369.70	$126,352.36	0.00443	97.44
10.5 - 11.5	$29,253,738.10	$80,554.96	0.00275	97.00
11.5 - 12.5	$32,567,846.94	$118,889.17	0.00365	96.74
12.5 - 13.5	$34,062,622.96	$1,095,173.47	0.03215	96.38
13.5 - 14.5	$36,404,849.05	$226,679.60	0.00623	93.28
14.5 - 15.5	$35,218,991.25	$54,559.79	0.00155	92.70
15.5 - 16.5	$36,052,436.82	$94,372.24	0.00262	92.56
16.5 - 17.5	$28,229,663.24	$190,119.72	0.00673	92.32
17.5 - 18.5	$24,461,707.32	$149,445.81	0.00611	91.70
18.5 - 19.5	$26,191,667.56	$123,972.14	0.00473	91.14
19.5 - 20.5	$26,479,812.71	$83,832.14	0.00317	90.70
20.5 - 21.5	$27,916,484.28	$70,071.66	0.00251	90.42
21.5 - 22.5	$29,374,550.57	$56,164.41	0.00191	90.19
22.5 - 23.5	$34,326,775.86	$99,378.59	0.00290	90.02
23.5 - 24.5	$32,720,971.29	$59,403.26	0.00182	89.76
24.5 - 25.5	$31,830,097.64	$170,902.56	0.00537	89.59
25.5 - 26.5	$29,332,549.24	$108,923.01	0.00371	89.11
26.5 - 27.5	$29,751,109.08	$116,753.80	0.00392	88.78
27.5 - 28.5	$28,741,062.12	$60,079.84	0.00209	88.43
28.5 - 29.5	$28,814,085.98	$78,749.64	0.00273	88.25
29.5 - 30.5	$26,391,848.50	$38,896.76	0.00147	88.01
30.5 - 31.5	$23,283,538.27	$30,698.06	0.00132	87.88
31.5 - 32.5	$24,548,864.49	$59,457.23	0.00242	87.76
32.5 - 33.5	$24,828,211.88	$26,560.15	0.00107	87.55
33.5 - 34.5	$25,107,597.09	$62,898.39	0.00251	87.46
34.5 - 35.5	$22,977,356.46	$47,385.22	0.00206	87.24
35.5 - 36.5	$22,248,890.74	$24,568.83	0.00110	87.06

Rochester Gas & Electric

Gas Plant

376.10 MAINS - STEEL

Observed Life Table

Retirement Expr. 2001 TO 2008
Placement Years 1885 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$23,039,285.79	$35,365.63	0.00154	86.96
37.5 - 38.5	$24,956,300.40	$54,184.18	0.00217	86.83
38.5 - 39.5	$24,802,289.71	$96,511.10	0.00389	86.64
39.5 - 40.5	$24,075,438.22	$47,809.66	0.00199	86.30
40.5 - 41.5	$24,752,753.83	$56,120.98	0.00227	86.13
41.5 - 42.5	$26,401,905.90	$82,593.43	0.00313	85.94
42.5 - 43.5	$25,768,672.85	$63,680.40	0.00247	85.67
43.5 - 44.5	$23,847,460.75	$62,364.57	0.00262	85.45
44.5 - 45.5	$20,919,199.97	$99,369.88	0.00475	85.23
45.5 - 46.5	$18,429,361.32	$54,602.67	0.00296	84.83
46.5 - 47.5	$16,966,865.27	$43,932.36	0.00259	84.58
47.5 - 48.5	$14,981,484.97	$57,784.76	0.00386	84.36
48.5 - 49.5	$12,619,481.91	$66,672.59	0.00528	84.03
49.5 - 50.5	$10,459,891.20	$65,776.86	0.00629	83.59
50.5 - 51.5	$9,713,860.07	$99,083.07	0.01020	83.06
51.5 - 52.5	$8,782,499.10	$193,213.44	0.02200	82.21
52.5 - 53.5	$7,900,133.85	$152,416.79	0.01929	80.41
53.5 - 54.5	$5,363,614.48	$56,022.58	0.01044	78.85
54.5 - 55.5	$4,321,536.60	$38,922.57	0.00901	78.03
55.5 - 56.5	$3,933,499.00	$67,435.28	0.01714	77.33
56.5 - 57.5	$3,426,836.04	$116,014.06	0.03385	76.00
57.5 - 58.5	$1,794,605.70	$47,683.58	0.02657	73.43
58.5 - 59.5	$825,695.79	$15,994.11	0.01937	71.48
59.5 - 60.5	$574,542.55	$14,242.20	0.02479	70.09
60.5 - 61.5	$368,834.33	$8,230.03	0.02231	68.36
61.5 - 62.5	$296,830.20	$13,683.72	0.04610	66.83
62.5 - 63.5	$285,462.48	$8,452.67	0.02961	63.75
63.5 - 64.5	$326,753.00	$6,420.81	0.01965	61.86
64.5 - 65.5	$342,030.15	$18,516.61	0.05414	60.65
65.5 - 66.5	$326,172.24	$17,253.39	0.05290	57.36
66.5 - 67.5	$257,342.05	$14,879.03	0.05782	54.33
67.5 - 68.5	$193,739.66	$1,513.84	0.00781	51.19
68.5 - 69.5	$181,252.67	$2,880.00	0.01589	50.79
69.5 - 70.5	$181,559.85	$5,589.87	0.03079	49.98
70.5 - 71.5	$106,256.86	$3,129.76	0.02945	48.44
71.5 - 72.5	$97,865.47	$12,048.22	0.12311	47.02
72.5 - 73.5	$85,012.29	$6,055.24	0.07123	41.23

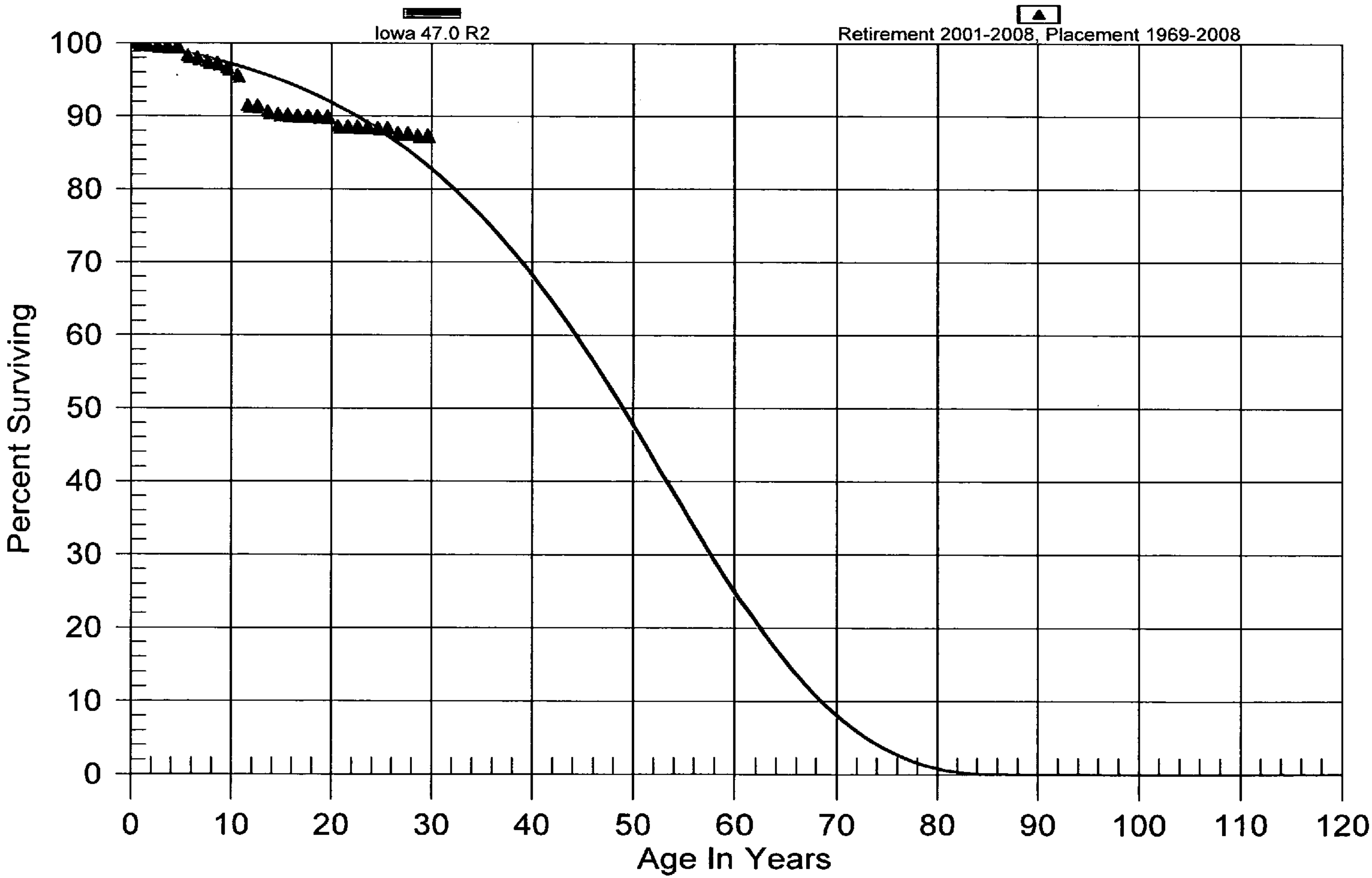
Rochester Gas & Electric
Gas Plant
376.10 MAINS - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1885 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$131,877.93	$5,157.30	0.03911	38.29
74.5 - 75.5	$128,196.46	$2,949.44	0.02301	36.79
75.5 - 76.5	$136,149.49	$4,031.97	0.02961	35.95
76.5 - 77.5	$132,411.05	$6,158.52	0.04651	34.88
77.5 - 78.5	$119,186.60	$5,186.22	0.04351	33.26
78.5 - 79.5	$93,863.74	$3,938.33	0.04196	31.81
79.5 - 80.5	$75,060.95	$938.33	0.01250	30.48
80.5 - 81.5	$66,782.61	$3,407.47	0.05102	30.10
81.5 - 82.5	$19,228.83	$739.68	0.03847	28.56
82.5 - 83.5	$12,759.22	$85.48	0.00670	27.46
83.5 - 84.5	$9,127.29	$289.40	0.03171	27.28
84.5 - 85.5	$16,733.26	$23.96	0.00143	26.41
85.5 - 86.5	$32,612.47	$1,651.63	0.05064	26.38
86.5 - 87.5	$80,527.34	$2,479.69	0.03079	25.04
87.5 - 88.5	$154,085.08	$4,616.45	0.02996	24.27
88.5 - 89.5	$149,535.70	$4,081.91	0.02730	23.54
89.5 - 90.5	$150,450.87	$7,360.21	0.04892	22.90
90.5 - 91.5	$186,543.78	$2,565.74	0.01375	21.78
91.5 - 92.5	$324,982.69	$1,703.62	0.00524	21.48
92.5 - 93.5	$316,597.25	$686.52	0.00217	21.37
93.5 - 94.5	$335,042.90	$9,772.71	0.02917	21.32
94.5 - 95.5	$285,764.05	$11,232.15	0.03931	20.70
95.5 - 96.5	$217,271.43	$422.98	0.00195	19.88
96.5 - 97.5	$215,900.92	$2,830.39	0.01311	19.85
97.5 - 98.5	$207,871.19	$24,859.56	0.11959	19.59
98.5 - 99.5	$152,395.39	$0.36	0.00000	17.24
99.5 - 100.5	$30,352.44	$9.07	0.00030	17.24
100.5 - 101.5	$30,297.42	$542.43	0.01790	17.24
101.5 - 102.5	$2,612.53	$0.00	0.00000	16.93
102.5 - 103.5	$0.00	$0.00	0.00000	16.93

Rochester Gas & Electric

Gas Plant
376.20 MAINS - PLASTIC
Original And Smooth Survivor Curves



Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1969 TO 2008

Age Interval	$ Surviving At Beginning of Age Interval	$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	$52,623,593.62	$1,224.50	0.00002	100.00
0.5 - 1.5	$69,493,667.03	$4,689.01	0.00007	100.00
1.5 - 2.5	$72,187,264.67	$159,207.36	0.00221	99.99
2.5 - 3.5	$63,572,772.46	$12,732.02	0.00020	99.77
3.5 - 4.5	$62,752,356.61	$20,959.66	0.00033	99.75
4.5 - 5.5	$62,343,010.03	$826,933.52	0.01326	99.72
5.5 - 6.5	$53,457,581.07	$135,671.90	0.00254	98.39
6.5 - 7.5	$49,733,293.48	$261,208.63	0.00525	98.14
7.5 - 8.5	$45,279,970.70	$94,916.07	0.00210	97.63
8.5 - 9.5	$29,406,046.27	$209,924.20	0.00714	97.42
9.5 - 10.5	$24,125,134.58	$241,985.35	0.01003	96.73
10.5 - 11.5	$24,131,039.92	$1,053,190.79	0.04364	95.76
11.5 - 12.5	$22,595,814.30	$6,976.94	0.00031	91.58
12.5 - 13.5	$25,210,846.73	$214,036.13	0.00849	91.55
13.5 - 14.5	$27,386,259.62	$112,459.08	0.00411	90.77
14.5 - 15.5	$24,337,033.06	$17,010.20	0.00070	90.40
15.5 - 16.5	$24,160,961.76	$32,381.19	0.00134	90.34
16.5 - 17.5	$22,103,299.92	$9,541.73	0.00043	90.22
17.5 - 18.5	$18,253,178.30	$14,967.75	0.00082	90.18
18.5 - 19.5	$16,776,139.35	$5,550.09	0.00033	90.10
19.5 - 20.5	$14,610,646.32	$210,973.95	0.01444	90.07
20.5 - 21.5	$12,408,126.87	$6,662.88	0.00054	88.77
21.5 - 22.5	$8,630,298.06	$2,650.50	0.00031	88.73
22.5 - 23.5	$8,247,616.40	$1,648.33	0.00020	88.70
23.5 - 24.5	$6,017,432.91	$10,932.37	0.00182	88.68
24.5 - 25.5	$3,836,765.84	$1,525.90	0.00040	88.52
25.5 - 26.5	$2,751,471.33	$20,261.98	0.00736	88.48
26.5 - 27.5	$2,046,000.13	$2.91	0.00000	87.83
27.5 - 28.5	$1,436,080.94	$5,773.35	0.00402	87.83
28.5 - 29.5	$990,294.09	$0.00	0.00000	87.48
29.5 - 30.5	$508,342.07	$0.00	0.00000	87.48
30.5 - 31.5	$105,243.80	$13.83	0.00013	87.48
31.5 - 32.5	$28,568.00	$0.00	0.00000	87.47
32.5 - 33.5	$952.00	$0.00	0.00000	87.47
33.5 - 34.5	$0.00	$0.00	0.00000	87.47
34.5 - 35.5	$0.00	$0.00	0.00000	87.47
35.5 - 36.5	$0.00	$0.00	0.00000	87.47

Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1969 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$0.00	$0.00	0.00000	87.47
37.5 - 38.5	$0.00	$0.00	0.00000	87.47
38.5 - 39.5	$0.00	$0.00	0.00000	87.47

Exhibit 161

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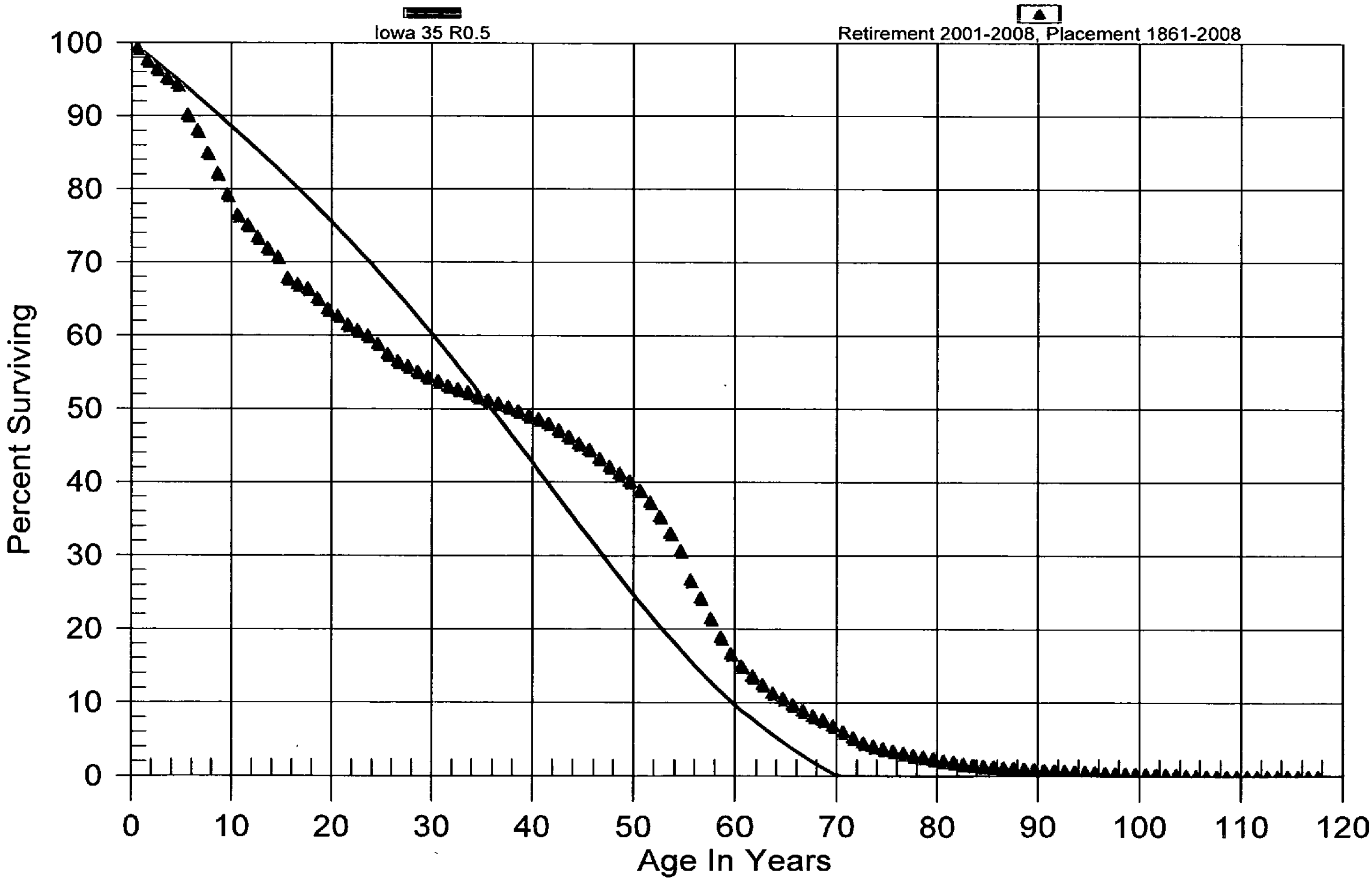
Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL
Original And Smooth Survivor Curves



Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL
Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1861 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$3,295,249.54	$19,697.00	0.00598	100.00
0.5 - 1.5	$3,536,346.67	$59,267.40	0.01676	99.40
1.5 - 2.5	$3,563,853.59	$44,552.67	0.01250	97.74
2.5 - 3.5	$3,315,205.97	$41,246.77	0.01244	96.51
3.5 - 4.5	$3,011,542.50	$26,407.16	0.00877	95.31
4.5 - 5.5	$1,068,937.24	$47,546.69	0.04448	94.48
5.5 - 6.5	$1,204,137.26	$28,609.38	0.02376	90.28
6.5 - 7.5	$1,238,723.55	$43,345.09	0.03499	88.13
7.5 - 8.5	$1,632,972.74	$53,768.61	0.03293	85.05
8.5 - 9.5	$1,763,842.70	$61,556.87	0.03490	82.25
9.5 - 10.5	$2,021,360.29	$71,054.14	0.03515	79.38
10.5 - 11.5	$2,285,654.53	$40,667.66	0.01779	76.59
11.5 - 12.5	$2,169,319.57	$47,894.66	0.02208	75.22
12.5 - 13.5	$2,374,924.52	$48,944.74	0.02061	73.56
13.5 - 14.5	$2,082,781.34	$34,803.45	0.01671	72.05
14.5 - 15.5	$1,986,512.80	$80,669.36	0.04061	70.84
15.5 - 16.5	$2,145,483.87	$26,688.41	0.01244	67.97
16.5 - 17.5	$2,139,215.48	$18,733.90	0.00876	67.12
17.5 - 18.5	$2,049,910.40	$40,918.46	0.01996	66.53
18.5 - 19.5	$2,105,101.82	$48,086.41	0.02284	65.20
19.5 - 20.5	$2,675,101.31	$37,926.41	0.01418	63.71
20.5 - 21.5	$3,280,002.00	$63,615.15	0.01939	62.81
21.5 - 22.5	$4,464,797.86	$54,916.32	0.01230	61.59
22.5 - 23.5	$5,455,319.17	$67,559.50	0.01238	60.84
23.5 - 24.5	$5,221,499.75	$93,925.02	0.01799	60.08
24.5 - 25.5	$5,206,614.87	$122,576.36	0.02354	59.00
25.5 - 26.5	$5,510,780.01	$93,954.06	0.01705	57.61
26.5 - 27.5	$6,324,242.65	$74,423.73	0.01177	56.63
27.5 - 28.5	$7,083,210.02	$96,901.90	0.01368	55.96
28.5 - 29.5	$7,483,687.46	$100,573.57	0.01344	55.20
29.5 - 30.5	$8,127,897.40	$85,588.91	0.01053	54.46
30.5 - 31.5	$8,803,910.79	$111,804.91	0.01270	53.88
31.5 - 32.5	$10,011,855.38	$76,924.59	0.00768	53.20
32.5 - 33.5	$11,111,141.18	$91,735.66	0.00826	52.79
33.5 - 34.5	$11,995,375.37	$133,693.47	0.01115	52.35
34.5 - 35.5	$12,233,838.35	$110,610.00	0.00904	51.77
35.5 - 36.5	$12,703,791.49	$107,641.27	0.00847	51.30

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1861 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$13,070,181.06	$127,557.02	0.00976	50.87
37.5 - 38.5	$12,780,798.29	$143,590.77	0.01123	50.37
38.5 - 39.5	$12,573,335.15	$152,303.05	0.01211	49.81
39.5 - 40.5	$12,599,547.90	$121,263.95	0.00962	49.20
40.5 - 41.5	$12,704,800.53	$163,120.05	0.01284	48.73
41.5 - 42.5	$12,417,914.43	$221,646.18	0.01785	48.10
42.5 - 43.5	$11,803,620.81	$233,699.67	0.01980	47.24
43.5 - 44.5	$10,589,914.20	$214,106.69	0.02022	46.31
44.5 - 45.5	$9,704,483.39	$178,970.33	0.01844	45.37
45.5 - 46.5	$9,004,466.46	$239,667.09	0.02662	44.54
46.5 - 47.5	$8,061,618.42	$202,905.54	0.02517	43.35
47.5 - 48.5	$6,757,254.41	$158,846.17	0.02351	42.26
48.5 - 49.5	$5,438,270.16	$136,100.61	0.02503	41.27
49.5 - 50.5	$4,235,997.34	$129,322.30	0.03053	40.23
50.5 - 51.5	$3,268,313.29	$133,253.33	0.04077	39.01
51.5 - 52.5	$2,476,609.55	$131,607.52	0.05314	37.41
52.5 - 53.5	$1,718,369.81	$110,990.27	0.06459	35.43
53.5 - 54.5	$1,007,227.00	$72,857.30	0.07233	33.14
54.5 - 55.5	$595,340.06	$77,080.21	0.12947	30.74
55.5 - 56.5	$336,301.27	$30,490.69	0.09066	26.76
56.5 - 57.5	$207,526.79	$23,945.07	0.11538	24.33
57.5 - 58.5	$141,500.72	$16,745.65	0.11834	21.53
58.5 - 59.5	$95,625.99	$11,379.02	0.11900	18.98
59.5 - 60.5	$71,077.81	$7,081.34	0.09963	16.72
60.5 - 61.5	$53,106.52	$4,769.80	0.08982	15.06
61.5 - 62.5	$42,495.73	$3,531.36	0.08310	13.70
62.5 - 63.5	$36,656.56	$3,301.42	0.09006	12.56
63.5 - 64.5	$35,470.80	$2,295.32	0.06471	11.43
64.5 - 65.5	$34,327.89	$2,811.72	0.08191	10.69
65.5 - 66.5	$32,053.41	$2,630.85	0.08208	9.82
66.5 - 67.5	$28,597.90	$2,252.46	0.07876	9.01
67.5 - 68.5	$20,925.00	$1,342.31	0.06415	8.30
68.5 - 69.5	$16,859.05	$1,762.41	0.10454	7.77
69.5 - 70.5	$16,023.94	$1,832.55	0.11436	6.96
70.5 - 71.5	$14,929.62	$1,997.48	0.13379	6.16
71.5 - 72.5	$15,207.10	$1,952.31	0.12838	5.34
72.5 - 73.5	$16,757.33	$1,611.51	0.09617	4.65

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL
Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1861 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$23,191.61	$1,870.56	0.08066	4.20
74.5 - 75.5	$32,662.52	$2,720.03	0.08328	3.87
75.5 - 76.5	$38,562.23	$3,136.20	0.08133	3.54
76.5 - 77.5	$39,651.33	$3,527.39	0.08896	3.26
77.5 - 78.5	$39,610.81	$3,337.36	0.08425	2.97
78.5 - 79.5	$37,958.80	$2,966.96	0.07816	2.72
79.5 - 80.5	$36,027.69	$3,861.70	0.10719	2.50
80.5 - 81.5	$31,286.39	$3,013.70	0.09633	2.24
81.5 - 82.5	$24,727.87	$2,722.34	0.11009	2.02
82.5 - 83.5	$18,571.76	$1,628.69	0.08770	1.80
83.5 - 84.5	$14,927.54	$1,514.48	0.10146	1.64
84.5 - 85.5	$15,466.37	$930.16	0.06014	1.47
85.5 - 86.5	$15,874.44	$1,028.53	0.06479	1.38
86.5 - 87.5	$17,936.54	$1,310.46	0.07306	1.30
87.5 - 88.5	$18,882.87	$1,458.93	0.07726	1.20
88.5 - 89.5	$20,887.43	$1,803.08	0.08632	1.11
89.5 - 90.5	$22,512.65	$1,383.98	0.06148	1.01
90.5 - 91.5	$25,465.86	$2,181.72	0.08567	0.95
91.5 - 92.5	$24,589.11	$2,123.63	0.08636	0.87
92.5 - 93.5	$21,667.23	$2,186.01	0.10089	0.79
93.5 - 94.5	$19,878.24	$1,940.68	0.09763	0.71
94.5 - 95.5	$17,468.53	$1,197.54	0.06855	0.64
95.5 - 96.5	$15,421.22	$1,968.38	0.12764	0.60
96.5 - 97.5	$12,519.38	$1,201.59	0.09598	0.52
97.5 - 98.5	$15,016.38	$1,899.38	0.12649	0.47
98.5 - 99.5	$11,585.28	$854.14	0.07373	0.41
99.5 - 100.5	$9,657.71	$767.43	0.07946	0.38
100.5 - 101.5	$8,241.42	$528.19	0.06409	0.35
101.5 - 102.5	$7,016.10	$338.79	0.04829	0.33
102.5 - 103.5	$6,165.96	$187.58	0.03042	0.31
103.5 - 104.5	$5,544.63	$2,208.89	0.39838	0.30
104.5 - 105.5	$3,205.76	$798.15	0.24897	0.18
105.5 - 106.5	$52.01	$21.65	0.41627	0.14
106.5 - 107.5	$30.36	$10.89	0.35870	0.08
107.5 - 108.5	$179.69	$11.89	0.06617	0.05
108.5 - 109.5	$167.80	$0.00	0.00000	0.05
109.5 - 110.5	$167.80	$0.00	0.00000	0.05

Rochester Gas & Electric
Gas Plant
380.10 SERVICES - STEEL

Observed Life Table
Retirement Expr. 2001 TO 2008
Placement Years 1861 TO 2008

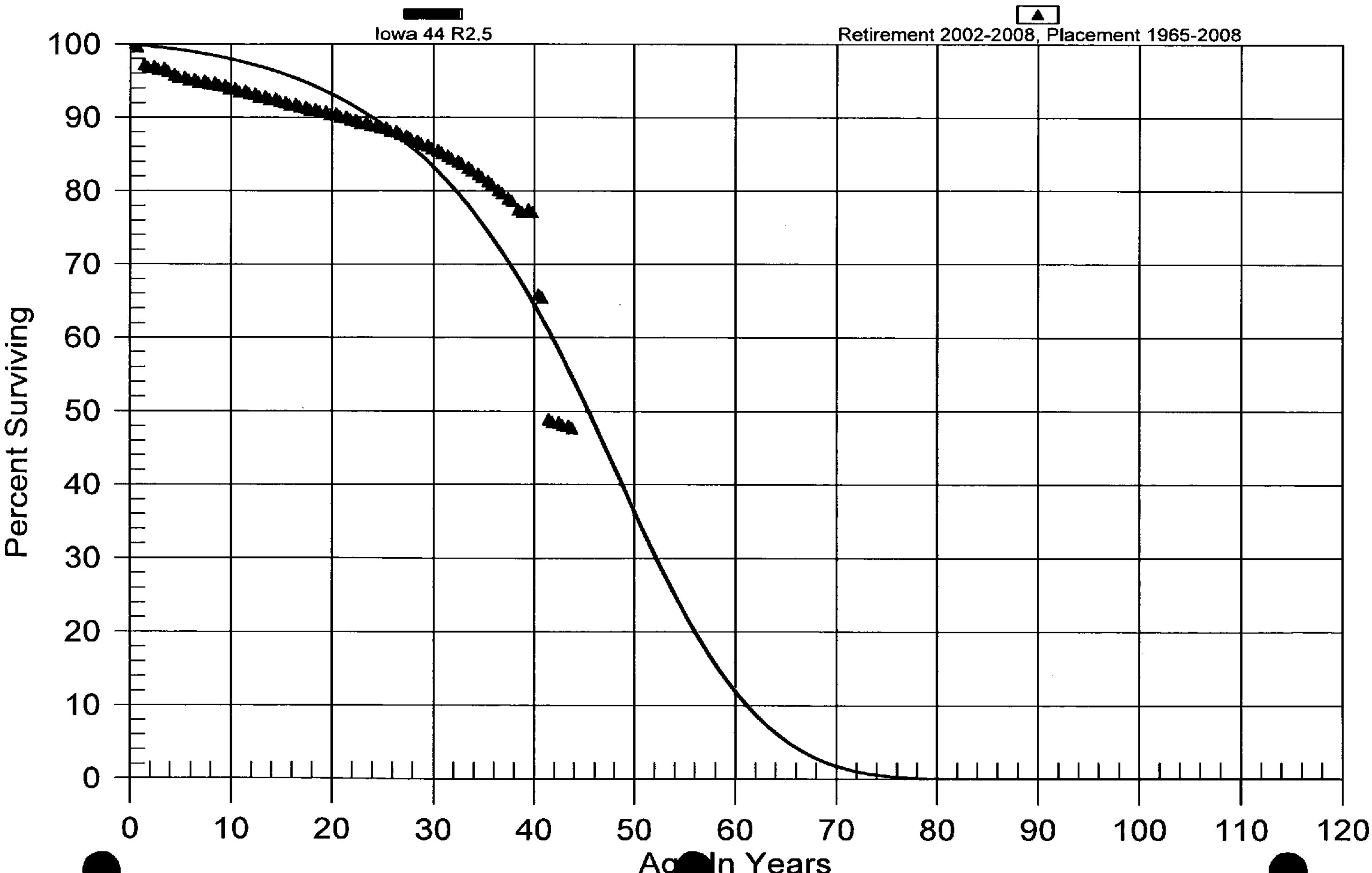
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
110.5 - 111.5	$220.60	$18.53	0.08400	0.05
111.5 - 112.5	$202.07	$7.58	0.03751	0.04
112.5 - 113.5	$194.49	$0.00	0.00000	0.04
113.5 - 114.5	$194.49	$0.00	0.00000	0.04
114.5 - 115.5	$194.49	$141.69	0.72852	0.04
115.5 - 116.5	$52.80	$0.00	0.00000	0.01
116.5 - 117.5	$52.80	$0.00	0.00000	0.01

Rochester Gas & Electric

Gas Plant

380.20 SERVICES - PLASTIC

Original And Smooth Survivor Curves



Rochester Gas & Electric
Gas Plant
380.20 SERVICES - PLASTIC

Observed Life Table
Retirement Expr. 2002 TO 2008
Placement Years 1965 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$56,198,061.92	$10,450.34	0.00019	100.00
0.5 - 1.5	$60,881,803.36	$1,683,515.14	0.02765	99.98
1.5 - 2.5	$54,209,564.24	$147,233.87	0.00272	97.22
2.5 - 3.5	$53,342,163.17	$154,414.64	0.00289	96.95
3.5 - 4.5	$53,931,012.32	$470,261.70	0.00872	96.67
4.5 - 5.5	$59,441,052.94	$218,324.63	0.00367	95.83
5.5 - 6.5	$39,212,771.39	$125,873.36	0.00321	95.48
6.5 - 7.5	$39,090,040.42	$97,325.23	0.00249	95.17
7.5 - 8.5	$31,990,683.83	$67,199.12	0.00210	94.93
8.5 - 9.5	$37,325,381.49	$155,262.36	0.00416	94.73
9.5 - 10.5	$37,873,075.50	$171,550.19	0.00453	94.34
10.5 - 11.5	$36,083,131.24	$114,078.69	0.00316	93.91
11.5 - 12.5	$33,405,913.27	$152,906.26	0.00458	93.62
12.5 - 13.5	$37,711,731.96	$137,930.23	0.00366	93.19
13.5 - 14.5	$34,013,269.23	$104,669.35	0.00308	92.85
14.5 - 15.5	$38,220,988.05	$201,876.21	0.00528	92.56
15.5 - 16.5	$35,851,123.83	$106,664.08	0.00298	92.07
16.5 - 17.5	$32,683,543.08	$143,854.89	0.00440	91.80
17.5 - 18.5	$30,363,673.09	$86,891.22	0.00286	91.39
18.5 - 19.5	$25,735,016.43	$97,311.71	0.00378	91.13
19.5 - 20.5	$23,153,576.75	$79,510.33	0.00343	90.79
20.5 - 21.5	$20,556,303.31	$93,545.95	0.00455	90.48
21.5 - 22.5	$18,132,472.56	$92,081.20	0.00508	90.06
22.5 - 23.5	$17,977,831.95	$58,464.57	0.00325	89.61
23.5 - 24.5	$17,221,420.26	$71,573.38	0.00416	89.32
24.5 - 25.5	$15,812,185.77	$70,098.01	0.00443	88.94
25.5 - 26.5	$14,804,179.49	$79,343.53	0.00536	88.55
26.5 - 27.5	$14,450,606.64	$105,309.86	0.00729	88.08
27.5 - 28.5	$13,506,539.24	$108,334.57	0.00802	87.43
28.5 - 29.5	$12,399,465.10	$81,886.15	0.00660	86.73
29.5 - 30.5	$9,679,732.82	$73,181.38	0.00756	86.16
30.5 - 31.5	$7,851,126.99	$69,405.83	0.00884	85.51
31.5 - 32.5	$6,473,931.29	$54,765.57	0.00846	84.75
32.5 - 33.5	$4,874,283.94	$50,691.35	0.01040	84.04
33.5 - 34.5	$3,229,980.82	$35,468.35	0.01098	83.16
34.5 - 35.5	$1,735,159.59	$19,857.22	0.01144	82.25
35.5 - 36.5	$758,691.58	$11,606.16	0.01530	81.31

Rochester Gas & Electric
Gas Plant
380.20 SERVICES - PLASTIC

Observed Life Table
Retirement Expr. 2002 TO 2008
Placement Years 1965 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$305,849.38	$4,223.19	0.01381	80.06
37.5 - 38.5	$39,562.43	$744.95	0.01883	78.96
38.5 - 39.5	$488.43	$0.00	0.00000	77.47
39.5 - 40.5	$488.43	$73.44	0.15036	77.47
40.5 - 41.5	$414.99	$106.85	0.25748	65.82
41.5 - 42.5	$308.14	$2.70	0.00876	48.87
42.5 - 43.5	$55.82	$0.50	0.00896	48.45

Exhibit 162

List of Information Request Responses Submitted for the Record

Response #	Question #	Subject Matter
NYRC-0891	DPS-575	NYSEG Seasonal Customers
NYRC-0101	DPS-94	Cost of Service Studies
NYRC-0508	DPS-372	Revenue Decoupling Mechanism
NYRC-0196	DPS-189	Revenue Decoupling Mechanism

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New York State Electric & Gas Corporation
Rochester Gas and Electric Corporation

PSC Case No. 09-E-0715
PSC Case No. 09-G-0716
PSC Case No. 09-E-0717
PSC Case No. 09-G-0718

Information Request

Requesting Party and No.: A. Rider (DPS-575)

NYRC Response No.: NYRC-0891 (DPS-575)

Request Date: December 30, 2009

Information Requested of: Revenue Allocation and Rate Design

Reply Date: January 5, 2010

Responsible Witness: Revenue Allocation and Rate Design - NYSEG

QUESTION:

NYSEG Seasonal Customers – Bill Test

1. Please explain how NYSEG tests to determine if a customer falls above or below the minimum bill threshold for seasonal customers, how it bills these customers, and how it reconciles bills annually.

2. Does the bill test for seasonal customers include commodity revenues? If so, why does the Company believe that the bill test should be done on a total bill basis instead of on a delivery bill only basis?

RESPONSE:

1. Residential customers on Service Class 1 or 8 that have only occasional use or no use of their electric service for a period of six or more consecutive months, (not to exceed eight months), may opt to be billed under a Seasonal Rate Provision. Seasonal customers are placed on a unique rate, and account-specific parameters are entered into the billing system to identify the "seasonal" billing periods, when to bill and when not to bill. These parameters include the dates

of the first and last regular bills issued, and the date the annual reconciliation (or "clean-up") bill is issued. At the time of the reconciliation bill, the system compares all electric charges (including delivery, SBC, RPS, MFC, EEPS, TSAS, commodity and NBC) from the start of the seasonal period through the reconciliation bill to determine if the customer has met the annual minimum of $168. Any customer whose total charges are less than the annual minimum would be charged the difference between their annual electric charges and annual minimum. Any customer whose total electric charges are equal to or greater than the annual minimum would not be charged for "cleanup". The reconciliation bill includes the "Seasonal Cleanup Balance" (if applicable) and any kWhs used during the non-billing period.

2. Yes, as stated in No.1 above, the bill test includes delivery, SBC, RPS, MFC, EEPS, TSAS, commodity and NBC revenues. Prior to unbundling, the process for the bill test was done on a total bill basis and that process continued after the Company unbundled its rates. However, the Company can see the logic in including only base delivery revenues in the minimum bill calculation.

New York State Electric & Gas Corporation
Rochester Gas and Electric Corporation

PSC Case No. 09-E-0715
PSC Case No. 09-G-0716
PSC Case No. 09-E-0717
PSC Case No. 09-G-0718

Information Request

Requesting Party and No.: Dickens (DPS-94)

NYRC Response No.: NYRC-0101 (DPS-94)

Request Date: October 22, 2009

Information Requested of: Embedded Cost of Service Panels

Reply Date: October 27, 2009

Responsible Witness: Embedded Cost of Service Panels

QUESTION:

Customer-Demand Cost Classification

1. For both NYSEG and RG&E separately, please re-run the Embedded Cost of Service Studies for each of the following electric accounts -- 364, 365, 366, 367, and 368 -- by classifying 50% of the costs as customer and 50% as demand.

RESPONSE:

See NYRC-0101 Attachment -1 for the NYSEG electric ECOS summary of results by Service Class based on the change in classification percentages for FERC Accounts 364, 365, 366, 367, and 368. Attachment 2 lists the values for the Distribution Plant accounts by Service Class.

See NYRC-0101 Attachment -3 for the RG&E electric ECOS summary of results by Service Class based on the change in classification percentages for FERC Accounts 364, 365, 366, 367, and 368. Attachment 4 lists the values for the Distribution Plant accounts by Service Class.

	SUMMARY OF RESULTS	TOTAL SYSTEM	RESIDENTIAL REGULAR SC 1	RESIDENTIAL DAY-NIGHT SC 8	RESIDENTIAL TIME-OF-USE SC 12	GS W/O DEM SC 6	GS W/O DEM DAY-NIGHT SC 9	GS WITH DEM < THAN 500 KW SC 2	GS WITH DEM > THAN 500 KW SC 7-1
1	DEVELOPMENT OF RATE BASE								
2	ELECTRIC PLANT IN SERVICE	3,107,198,590	1,355,453,446	401,566,960	94,931,006	184,812,658	8,028,732	489,501,138	206,510,551
3	DEPRECIATION RESERVE	1,594,553,585	719,607,839	208,359,778	45,880,591	93,415,370	4,023,106	240,974,215	100,724,908
4	NET PLANT IN SERVICE	1,512,645,005	635,845,607	193,207,182	49,050,415	91,397,288	4,005,626	248,526,923	105,785,643
5									
6	ADDITIONS & DEDUCTIONS TO NET PLT								
7	WORKING CAPITAL	80,207,961	37,813,417	11,605,860	1,723,465	3,920,148	178,728	11,372,885	4,236,727
8	NON INT BEARING CUST ADVANCE	(2,253,143)	(1,236,930)	(332,768)	(73,615)	(147,671)	(6,265)	(349,296)	(106,598)
9	DEFERRED DEBITS & CREDITS	479,570,062	238,415,048	70,719,071	10,418,021	26,839,134	1,140,458	65,798,413	22,306,081
10	DEFERRED INCOME TAXES	(456,769,254)	(203,393,785)	(61,450,080)	(13,037,637)	(26,719,110)	(1,161,541)	(70,959,046)	(28,591,542)
11	DEFERRED INVESTMENT TAX CREDIT	(17,942,143)	(7,541,290)	(2,291,750)	(581,671)	(1,083,843)	(47,505)	(2,948,155)	(1,255,129)
12	RATE BASE ADJUSTMENTS	(76,816,970)	(32,022,554)	(10,182,643)	(1,452,939)	(3,170,042)	(150,914)	(12,026,836)	(5,237,001)
13	TOT ADDS & DEDUCTS TO NET PLT	5,996,514	32,033,907	8,067,690	(3,004,375)	(361,385)	(47,037)	(9,112,035)	(8,647,463)
14									
15	EARNINGS BASE CAP DIFFERENTIAL	44,439,047	19,543,736	5,889,779	1,347,416	2,663,926	115,838	7,005,846	2,842,493
16									
17	TOTAL RATE BASE	1,563,080,566	687,423,249	207,164,652	47,393,456	93,699,829	4,074,426	246,420,735	99,980,673
18									
19	DEVELOPMENT OF RETURN								
20	OPERATING REVENUES								
21	ELECTRIC SALES REVENUES	589,238,152	271,221,387	82,498,495	9,425,663	23,791,983	1,221,438	101,121,610	39,548,154
22	STANDBY, WHOLESALE, & MFC DELIVERY REVE	3,615,115	1,524,761	456,321	90,832	187,609	8,439	569,649	242,211
23	OTHER OPERATING REVENUES	26,501,000	13,110,890	3,968,232	690,151	1,238,947	54,845	3,464,731	1,322,703
24	TOTAL OPERATING REVENUES	619,354,267	285,857,037	86,923,048	10,206,647	25,218,539	1,284,722	105,155,991	41,113,069
25									
26	OPERATING EXPENSES								
27	OPER & MAINT EXPENSE	298,744,109	139,014,342	42,715,205	6,123,434	13,716,839	623,608	42,863,131	17,117,267
28	DEPRECIATION EXPENSE	85,193,246	37,917,711	11,059,882	2,619,090	5,301,181	225,084	12,913,921	5,295,815
29	REGULATORY DEBITS & CREDITS	0	0	0	0	0	0	0	0
30	TAXES OTHER THAN INCOME	87,814,716	38,610,203	10,831,194	3,119,940	5,421,062	230,539	12,872,379	4,595,339
31	OTHER INCOME & DEDUCTIONS	0	0	0	0	0	0	0	0
32	TAX EXPENSE	36,665,127	18,264,543	5,950,508	(1,317,167)	(998,481)	24,561	11,024,109	4,192,665
33	TOTAL OPERATING EXPENSES	508,417,198	233,806,799	70,556,789	10,545,297	23,440,600	1,103,791	79,673,540	31,201,086
34									
35	OPERATING INCOME	110,937,069	52,050,238	16,366,259	(338,650)	1,777,938	180,931	25,482,451	9,911,983
36									
37	RATE OF RETURN	7.10%	7.57%	7.90%	-0.71%	1.90%	4.44%	10.34%	9.91%
38	INDEX RATE OF RETURN	1.000	1.067	1.113	-0.101	0.267	0.626	1.457	1.397

	SUMMARY OF RESULTS	PRIM WITH DEM < THAN 500 KW SC 3P	PRIM WITH DEM > THAN 500 KW SC 7-2	SUBT WITH DEM < THAN 500 KW SC 3S	SUBT WITH DEM > THAN 500 KW SC 7-3	TRANSM SERVICE SC 7-4	TOTAL STREET LIGHTING	AREA / OUTDR LIGHTING SC 5
1	DEVELOPMENT OF RATE BASE							
2	ELECTRIC PLANT IN SERVICE	15,621,493	167,039,821	298,375	74,824,308	34,241,694	54,162,245	20,206,164
3	DEPRECIATION RESERVE	7,764,413	82,758,574	152,620	38,381,900	16,909,328	25,706,588	9,894,355
4	NET PLANT IN SERVICE	7,857,080	84,281,247	145,755	36,442,408	17,332,366	28,455,657	10,311,809
5								
6	ADDITIONS & DEDUCTIONS TO NET PLT							
7	WORKING CAPITAL	368,437	4,147,640	6,792	1,870,241	1,216,836	1,204,014	542,771
8	NON INT BEARING CUST ADVANCE	0	0	0	0	0	0	0
9	DEFERRED DEBITS & CREDITS	1,911,325	20,668,467	23,953	5,308,557	2,904,971	9,178,530	3,938,032
10	DEFERRED INCOME TAXES	(2,198,820)	(23,613,226)	(37,724)	(9,240,487)	(4,498,386)	(8,561,797)	(3,306,072)
11	DEFERRED INVESTMENT TAX CREDIT	(93,215)	(999,876)	(1,730)	(432,561)	(205,698)	(337,445)	(122,276)
12	RATE BASE ADJUSTMENTS	(443,002)	(5,552,929)	(8,056)	(3,386,805)	(1,717,722)	(1,045,097)	(420,431)
13	TOT ADDS & DEDUCTS TO NET PLT	(455,275)	(5,349,924)	(16,765)	(5,881,054)	(2,299,999)	438,205	632,024
14								
15	EARNINGS BASE CAP DIFFERENTIAL	216,594	2,309,717	3,775	894,298	439,883	845,503	320,242
16								
17	TOTAL RATE BASE	7,618,399	81,241,041	132,765	31,455,652	15,472,249	29,739,365	11,264,075
18								
19	DEVELOPMENT OF RETURN							
20	OPERATING REVENUES							
21	ELECTRIC SALES REVENUES	2,690,500	30,088,996	76,847	10,884,128	4,098,095	10,273,683	2,297,173
22	STANDBY, WHOLESALE, & MFC DELIVERY REVE	20,336	240,140	393	131,748	59,988	59,406	23,283
23	OTHER OPERATING REVENUES	114,330	1,296,024	1,760	509,582	257,285	318,418	153,100
24	TOTAL OPERATING REVENUES	2,825,166	31,625,160	78,999	11,525,458	4,415,368	10,651,507	2,473,556
25								
26	OPERATING EXPENSES							
27	OPER & MAINT EXPENSE	1,449,267	16,867,757	26,376	8,198,523	4,166,574	4,070,138	1,791,650
28	DEPRECIATION EXPENSE	396,575	4,116,073	7,789	1,786,746	814,720	2,047,584	691,076
29	REGULATORY DEBITS & CREDITS	0	0	0	0	0	0	0
30	TAXES OTHER THAN INCOME	473,412	5,558,254	7,071	2,391,034	1,285,843	1,749,328	669,118
31	OTHER INCOME & DEDUCTIONS	0	0	0	0	0	0	0
32	TAX EXPENSE	94,128	880,217	13,108	(775,919)	(949,441)	688,151	(425,856)
33	TOTAL OPERATING EXPENSES	2,413,382	27,422,302	54,343	11,600,384	5,317,696	8,555,200	2,725,989
34								
35	OPERATING INCOME	411,784	4,202,858	24,656	(74,926)	(902,328)	2,096,307	(252,432)
36								
37	RATE OF RETURN	5.41%	5.17%	18.57%	-0.24%	-5.83%	7.05%	-2.24%
38	INDEX RATE OF RETURN	0.762	0.729	2.617	-0.034	-0.822	0.993	-0.316

		TOTAL SYSTEM	RESIDENTIAL REGULAR SC 1	RESIDENTIAL DAY-NIGHT SC 8	RESIDENTIAL TIME-OF-USE SC 12	GS W/O DEM SC 6	GS W/O DEM DAY-NIGHT SC 9	GS WITH DEM < THAN 500 KW SC 2	GS WITH DEM > THAN 500 KW SC 7-1
DISTRIBUTION PLANT									
360-LAND & LAND RIGHTS	DNCPPRI	51,158,742	18,696,521	7,270,229	841,129	1,182,285	86,179	11,166,985	5,491,965
361-STRUCTURES & IMPROVMENTS	DNCPPRI	4,021,864	1,469,834	571,552	66,126	92,946	6,775	877,897	431,753
362-STATION EQUIPMENT	DNCPPRI	178,146,917	65,105,736	25,316,669	2,929,013	4,116,997	300,096	38,886,100	19,124,331
364-POLES, TOWERS & FIXTURES									
CUST POLES, TOWERS & FIXT - PRIMARY	CUPRI	167,356,689	117,497,329	26,142,668	839,127	12,306,558	429,432	7,582,037	664,173
DEM POLES, TOWERS & FIXT - PRIMARY	DNCPPRI	167,356,689	61,162,330	23,783,257	2,751,605	3,867,634	281,919	36,530,798	17,965,984
CUST POLES, TOWERS & FIXT - SEC	CUSEC	34,277,876	14,599,450	468,613	6,872,633	6,872,633	239,818	4,234,211	0
DEM POLES, TOWERS & FIXT - SEC	DNCPSEC	34,277,876	16,138,326	6,275,463	726,040	1,020,516	74,387	9,639,037	0
TOTAL ACCOUNT 364		403,269,131	209,397,435	56,670,001	11,189,405	24,067,340	1,025,556	57,986,082	18,630,157
365-OVERHEAD COND & DEVICES									
CUST OH COND & DEVICES - PRIMARY	CUPRI	161,756,228	113,565,372	25,267,824	811,046	11,894,728	415,062	7,328,310	641,947
DEM OH COND & DEVICES - PRIMARY	DNCPPRI	161,756,228	59,115,580	22,987,369	2,659,525	3,738,206	272,485	35,308,323	17,364,766
CUST OH COND & DEVICES - SEC	CUSEC	45,623,551	19,431,739	623,720	9,147,414	9,147,414	319,195	5,635,697	0
DEM OH COND & DEVICES - SEC	DNCPSEC	45,623,551	21,479,970	8,352,587	966,353	1,358,298	99,009	12,829,473	0
TOTAL ACCOUNT 365		414,759,559	213,592,661	57,231,499	13,584,338	26,138,647	1,105,750	61,101,803	18,006,714
366-UNDERGROUND CONDUIT									
CUST UG CONDUIT & DEVICES - PRIMARY	CUPRI	8,884,142	6,237,354	1,387,785	44,545	653,294	22,796	402,493	35,258
DEM UG CONDUIT & DEVICES - PRIMARY	DNCPPRI	8,884,142	3,246,807	1,262,536	146,069	205,314	14,966	1,939,240	953,726
CUST UG CONDUIT & DEVICES - SEC	CUSEC	2,221,035	945,972	30,364	445,312	445,312	15,539	274,356	0
DEM UG CONDUIT & DEVICES - SEC	DNCPSEC	2,221,035	1,045,683	406,619	47,044	66,124	4,820	624,561	0
TOTAL ACCOUNT 366		22,210,354	11,475,815	3,087,304	682,970	1,370,045	58,121	3,240,650	988,983
367-UNDERGROUND COND & DEV									
CUST UG COND & DEVICES - PRIMARY	CUPRI	49,849,298	34,998,060	7,786,923	249,945	3,665,663	127,912	2,258,405	197,832
DEM UG COND & DEVICES - PRIMARY	DNCPPRI	49,849,298	18,217,970	7,084,143	819,600	1,152,023	83,973	10,881,158	5,351,395
CUST UG COND & DEVICES - SEC	CUSEC	12,462,325	5,307,887	170,372	2,498,667	2,498,667	87,190	1,539,422	0
DEM UG COND & DEVICES - SEC	DNCPSEC	12,462,325	5,867,372	2,281,555	263,965	371,027	27,045	3,504,441	0
TOTAL ACCOUNT 367		124,623,246	64,391,289	17,322,993	3,832,176	7,687,380	326,120	18,183,426	5,549,227
368-LINE TRANSFORMERS									
CUST COMP LINE TRANSFORM	CUSECTR	192,225,639	56,977,366	1,988,202	35,103,601	56,977,366	1,988,202	35,103,601	3,075,014
DEM COMP LINE TRANSFORM	DNCPSECT	192,225,639	74,501,357	28,970,200	3,351,709	4,711,134	343,403	44,497,880	34,358,937
TOTAL ACCOUNT 368		384,451,278	131,478,723	30,958,402	38,455,309	61,688,501	2,331,605	79,601,481	37,433,951
369-SERVICES	CUSECS	151,157,674	111,100,595	24,719,421	793,444	8,727,427	304,540	5,151,254	360,993

		PRIM WITH DEM < THAN 500 KW SC 3P	PRIM WITH DEM > THAN 500 KW SC 7-2	SUBT WITH DEM < THAN 500 KW SC 3S	SUBT WITH DEM > THAN 500 KW SC 7-3	TRANSM SERVICE SC 7-4	TOTAL STREET LIGHTING	AREA / OUTDR LIGHTING SC 5
DISTRIBUTION PLANT								
360-LAND & LAND RIGHTS	DNCPPRI	488,683	5,466,601	0	0	0	374,179	93,985
361-STRUCTURES & IMPROVMENTS	DNCPPRI	38,418	429,759	0	0	0	29,416	7,389
362-STATION EQUIPMENT	DNCPPRI	1,701,710	19,036,005	0	0	0	1,302,981	327,279
364-POLES, TOWERS & FIXTURES								
CUST POLES, TOWERS & FIXT - PRIMARY	CUPRI	47,715	73,967	0	0	0	218,644	1,555,039
DEM POLES, TOWERS & FIXT - PRIMARY	DNCPPRI	1,598,639	17,883,008	0	0	0	1,224,060	307,456
CUST POLES, TOWERS & FIXT - SEC	CUSEC	0	0	0	0	0	122,103	868,416
DEM POLES, TOWERS & FIXT - SEC	DNCPSEC	0	0	0	0	0	322,981	81,125
TOTAL ACCOUNT 364		1,646,354	17,956,976	0	0	0	1,887,789	2,812,036
365-OVERHEAD COND & DEVICES								
CUST OH COND & DEVICES - PRIMARY	CUPRI	46,118	71,492	0	0	0	211,328	1,503,001
DEM OH COND & DEVICES - PRIMARY	DNCPPRI	1,545,142	17,284,567	0	0	0	1,183,098	297,167
CUST OH COND & DEVICES - SEC	CUSEC	0	0	0	0	0	162,518	1,155,854
DEM OH COND & DEVICES - SEC	DNCPSEC	0	0	0	0	0	429,885	107,977
TOTAL ACCOUNT 365		1,591,260	17,356,059	0	0	0	1,986,828	3,063,999
366-UNDERGROUND CONDUIT								
CUST UG CONDUIT & DEVICES - PRIMARY	CUPRI	2,533	3,927	0	0	0	11,607	82,549
DEM UG CONDUIT & DEVICES - PRIMARY	DNCPPRI	84,864	949,321	0	0	0	64,979	16,321
CUST UG CONDUIT & DEVICES - SEC	CUSEC	0	0	0	0	0	7,912	56,269
DEM UG CONDUIT & DEVICES - SEC	DNCPSEC	0	0	0	0	0	20,928	5,257
TOTAL ACCOUNT 366		87,397	953,247	0	0	0	105,425	160,396
367-UNDERGROUND COND & DEV								
CUST UG COND & DEVICES - PRIMARY	CUPRI	14,212	22,032	0	0	0	65,126	463,188
DEM UG COND & DEVICES - PRIMARY	DNCPPRI	476,175	5,326,679	0	0	0	364,602	91,580
CUST UG COND & DEVICES - SEC	CUSEC	0	0	0	0	0	44,393	315,728
DEM UG COND & DEVICES - SEC	DNCPSEC	0	0	0	0	0	117,426	29,495
TOTAL ACCOUNT 367		490,387	5,348,711	0	0	0	591,546	899,990
368-LINE TRANSFORMERS								
CUST COMP LINE TRANSFORM	CUSECTR	0	0	0	0	0	1,012,288	0
DEM COMP LINE TRANSFORM	DNCPSECT	0	0	0	0	0	1,491,018	0
TOTAL ACCOUNT 368		0	0	0	0	0	2,503,307	0
369-SERVICES	CUSECS	0	0	0	0	0	0	0

Cases 09-E-0715, et al.

Exhibit ___ (ERP-1)
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Cases 09-E-0715, et al.

	SUMMARY OF RESULTS	TOTAL SYSTEM (1)	RESIDENTIAL SERVICE SC 1 (2)	RESIDENTIAL TOU SC 4 (3)	GEN SERVICE SMALL USE SC 2 (4)	GEN SERVICE 100 kW MIN SC 3 (5)	GEN SERVICE 12 kW MIN SC 7 (6)	GEN SERVICE TOU SC 9 (7)	(8)	(9)
1	DEVELOPMENT OF RATE BASE									
2	ELECTRIC PLANT INCL NON INTEREST BEARING CWIP	1,524,621,916	810,062,811	22,237,371	79,396,275	93,343,014	141,688,319	14,217,702		
3	DEPRECIATION RESERVE	561,735,000	303,168,945	8,417,142	29,672,085	32,803,197	51,591,273	5,141,322		
4	NET PLANT IN SERVICE	962,886,915	506,893,866	13,820,229	49,724,190	60,539,817	90,097,046	9,076,381		
5										
6	ADDITIONS & DEDUCTIONS TO NET PLT									
7	PLANT HELD FOR FUTURE USE	1,831,000	963,905	26,280	94,554	115,125	171,325	17,259		
8	FOSSIL FUELS	1,068,000	605,371	20,569	47,887	50,730	102,708	5,212		
9	MATERIAL AND SUPPLIES	5,478,000	2,875,907	78,764	283,006	341,128	513,191	51,902		
10	PREPAYMENTS	21,309,000	12,348,617	333,676	1,264,515	1,136,940	1,860,856	179,259		
11	O&M WORKING CAPITAL	25,155,718	14,641,943	416,025	1,368,586	1,289,642	2,239,090	189,407		
12	DEFERRED DEBITS AND CREDITS	84,812,443	45,679,348	1,449,343	3,897,603	4,616,801	8,141,229	555,363		
13	DEFERRED INCOME TAX	(170,952,680)	(88,715,432)	(2,582,408)	(8,561,821)	(10,487,534)	(16,455,038)	(1,475,458)		
14	DEFERRED INVESTMENT TAX CREDITS	(3,615,720)	(1,903,447)	(51,896)	(186,718)	(227,340)	(338,320)	(34,082)		
15	TOT ADDS & DEDUCTS TO NET PLT	(34,914,239)	(13,503,787)	(309,647)	(1,792,388)	(3,164,508)	(3,764,959)	(511,139)		
16										
17	TOTAL RATE BASE	927,972,676	493,390,079	13,510,582	47,931,801	57,375,309	86,332,087	8,565,242		
18										
19										
20	DEVELOPMENT OF RETURN									
21	ELECTRIC SALES REVENUES	358,216,665	172,119,816	5,424,050	13,632,851	25,012,232	45,069,784	3,911,477		
22	STANDBY - SC14 REVENUES	3,576,036	1,808,038	50,661	189,241	223,329	343,855	32,479		
23	OTHER OPERATING REVENUES	2,632,462	2,461,685	79,868	25,670	11,588	37,828	2,219		
24	TOTAL OPERATING REVENUES	364,425,163	176,389,539	5,554,578	13,847,761	25,247,150	45,451,468	3,946,175		
25										
26	OPERATING EXPENSES									
27	OPER & MAINT EXPENSE	166,763,984	90,215,968	2,620,253	8,604,381	9,528,727	15,130,269	1,391,161		
28	DEPRECIATION EXPENSE	47,970,562	26,153,472	742,819	2,499,276	2,685,537	4,352,011	407,844		
29	REGULATORY DEBITS & CREDITS	861,791	453,678	12,369	44,503	54,185	80,637	8,123		
30	TAXES OTHER THAN INCOME	51,468,165	27,151,866	720,002	2,577,882	3,219,464	4,791,936	461,714		
31	OTHER INCOME & DEDUCTIONS	386,694	205,600	5,630	19,974	23,909	35,975	3,569		
32	TAX EXPENSE	23,455,299	4,805,056	357,986	(732,458)	2,931,636	6,951,311	524,971		
33	TOTAL OPERATING EXPENSES	290,906,496	148,985,640	4,459,059	13,013,557	18,443,457	31,342,139	2,797,383		
34										
35	OPERATING INCOME	73,518,667	27,403,898	1,095,519	834,204	6,803,693	14,109,328	1,148,792		
36										
37										
38	RATE OF RETURN	7.92%	5.55%	8.11%	1.74%	11.86%	16.34%	13.41%		
39	INDEX RATE OF RETURN	1.000	0.701	1.023	0.220	1.497	2.063	1.693		

Exhibit ___ (ERP-1)

	SUMMARY OF RESULTS	GEN SERV TOU SEC SC 8 (10)	GEN SERV TOU SUBSTA SEC SC 8 (11)	GEN SERV TOU PRI SC 8 (12)	GEN SERV TOU SUB-TRAN IND SC 8 (13)	GEN SERV TOU SUB-TRAN COM SC 8 (14)	GEN SERV TOU TRAN SC 8 (15)	(16)	TOTAL LIGHTING (17)
1	DEVELOPMENT OF RATE BASE								
2	ELECTRIC PLANT INCL NON INTEREST BEARING CWIP	121,391,089	9,059,920	85,422,192	64,264,751	29,797,418	2,719,086		51,021,966
3	DEPRECIATION RESERVE	41,428,661	3,010,473	28,515,854	23,986,852	9,244,119	1,104,459		23,650,618
4	NET PLANT IN SERVICE	79,962,428	6,049,447	56,906,338	40,277,900	20,553,299	1,614,627		27,371,348
5									
6	ADDITIONS & DEDUCTIONS TO NET PLT								
7	PLANT HELD FOR FUTURE USE	152,067	11,504	108,227	76,584	39,089	3,070		52,010
8	FOSSIL FUELS	48,117	7,799	29,310	128,353	9,166	7,586		5,193
9	MATERIAL AND SUPPLIES	444,454	33,651	310,691	235,039	112,278	9,817		188,172
10	PREPAYMENTS	1,478,452	80,091	1,117,418	639,311	227,501	29,649		612,714
11	O&M WORKING CAPITAL	1,545,094	81,539	1,126,462	1,085,428	136,273	60,601		975,627
12	DEFERRED DEBITS AND CREDITS	5,247,640	629,824	3,444,190	8,094,872	1,338,792	441,256		1,276,181
13	DEFERRED INCOME TAX	(13,287,759)	(1,227,651)	(9,328,758)	(10,885,923)	(3,621,277)	(516,510)		(3,807,111)
14	DEFERRED INVESTMENT TAX CREDITS	(300,290)	(22,718)	(213,719)	(151,233)	(77,190)	(6,062)		(102,705)
15	TOT ADDS & DEDUCTS TO NET PLT	(4,672,225)	(405,961)	(3,406,179)	(777,568)	(1,835,367)	29,408		(799,918)
16									
17	TOTAL RATE BASE	75,290,203	5,643,486	53,500,159	39,500,331	18,717,932	1,644,035		26,571,430
18									
19									
20	DEVELOPMENT OF RETURN								
21	ELECTRIC SALES REVENUES	28,222,080	3,367,207	19,616,324	23,395,786	9,341,417	617,313		8,486,329
22	STANDBY - SC14 REVENUES	289,705	25,792	211,953	194,689	81,050	8,111		117,132
23	OTHER OPERATING REVENUES	6,457	(4,135)	8,377	(9,783)	(21,386)	656		33,418
24	TOTAL OPERATING REVENUES	28,518,242	3,388,864	19,836,654	23,580,691	9,401,081	626,080		8,636,880
25									
26	OPERATING EXPENSES								
27	OPER & MAINT EXPENSE	12,232,928	1,106,045	9,214,217	8,632,447	3,307,874	368,083		4,411,631
28	DEPRECIATION EXPENSE	3,304,678	261,486	2,281,116	2,430,976	736,496	120,239		1,994,612
29	REGULATORY DEBITS & CREDITS	71,573	5,415	50,939	36,046	18,398	1,445		24,479
30	TAXES OTHER THAN INCOME	4,302,272	324,884	3,040,525	2,222,819	1,100,156	84,382		1,470,265
31	OTHER INCOME & DEDUCTIONS	31,374	2,352	22,294	16,460	7,800	685		11,073
32	TAX EXPENSE	2,183,310	577,986	1,208,360	3,420,515	1,374,083	(6,204)		(141,252)
33	TOTAL OPERATING EXPENSES	22,126,135	2,278,167	15,817,451	16,759,263	6,544,806	568,630		7,770,808
34									
35	OPERATING INCOME	6,392,107	1,110,696	4,019,202	6,821,429	2,856,276	57,450		866,072
36									
37									
38	RATE OF RETURN	8.49%	19.68%	7.51%	17.27%	15.26%	3.49%		3.26%
39	INDEX RATE OF RETURN	1.072	2.484	0.948	2.180	1.926	0.441		0.411

			TOTAL SYSTEM (1)	RESIDENTIAL SERVICE SC 1 (2)	RESIDENTIAL TOU SC 4 (3)	GEN SERVICE SMALL USE SC 2 (4)	GEN SERVICE 100 kW MIN SC 3 (5)	GEN SERVICE 12 kW MIN SC 7 (6)	GEN SERVICE TOU SC 9 (7)	(8)	(9)	LARGE GEN SERV TOU SEC SC 8 (10)
1	DISTRIBUTION PLANT											
2												
3	360-LAND & LAND RIGHTS											
4	PRIMARY	DNCPPRI	9,401,930	4,040,920	148,021	427,216	890,881	1,259,836	129,572			1,319,913
5	TOTAL ACCOUNT 360		9,401,930	4,040,920	148,021	427,216	890,881	1,259,836	129,572			1,319,913
6	361-STRUCTURES & IMPROVEMENTS	DNCPSTA	8,282,424	3,488,893	127,800	368,855	769,179	1,087,731	111,871			1,139,600
7	362-STATION EQUIPMENT	DNCPPRI	104,520,337	44,922,518	1,645,533	4,749,321	9,903,842	14,005,476	1,440,440			14,673,340
8	364-POLES, TOWERS & FIXTURES											
9	CUST POLES, TOWERS & FIXT - PRIMARY	CUPRI	47,412,113	41,500,921	575,345	3,634,532	129,808	1,024,911	63,700			48,208
9	DEM POLES, TOWERS & FIXT - PRIMARY	DNCPPRI	47,412,113	20,377,580	746,440	2,154,369	4,492,543	6,353,110	653,407			6,656,064
10	CUST POLES, TOWERS & FIXT - SEC	CUSEC	5,268,013	4,613,405	63,958	404,029	14,430	113,933	7,081			5,359
10	DEM POLES, TOWERS & FIXT - SEC	DNCPSEC	5,268,013	3,021,843	110,691	319,477	666,210	942,119	96,895			0
11	TOTAL ACCOUNT 364		105,360,250	69,513,748	1,496,435	6,512,407	5,302,991	8,434,073	821,083			6,709,631
12	365-OVERHEAD COND & DEVICES											
13	CUST OH COND & DEVICES - PRIMARY	CUPRI	42,839,189	37,498,134	519,853	3,283,979	117,288	926,058	57,556			43,559
13	DEM OH COND & DEVICES - PRIMARY	DNCPPRI	42,839,189	18,412,151	674,446	1,946,579	4,059,234	5,740,349	590,386			6,014,083
14	CUST OH COND & DEVICES - SEC	CUSEC	6,973,821	6,107,248	84,667	534,855	19,102	150,825	9,374			7,094
14	DEM OH COND & DEVICES - SEC	DNCPSEC	6,973,821	4,000,330	146,534	422,925	881,933	1,247,181	128,271			0
15	TOTAL ACCOUNT 365		99,626,020	66,017,864	1,425,500	6,188,339	5,077,558	8,064,414	785,586			6,064,736
16	366-UNDERGROUND CONDUIT											
17	CUST UG CONDUIT & DEVICES - PRIMARY	CUPRI	48,910,417	42,812,422	593,527	3,749,390	133,910	1,057,300	65,713			49,732
17	DEM UG CONDUIT & DEVICES - PRIMARY	DNCPPRI	48,910,417	21,021,546	770,029	2,222,451	4,634,515	6,553,879	674,056			6,866,407
18	CUST UG CONDUIT & DEVICES - SEC	CUSEC	24,090,206	21,096,736	292,473	1,847,592	65,987	521,007	32,381			24,506
18	DEM UG CONDUIT & DEVICES - SEC	DNCPSEC	24,090,206	13,818,647	506,183	1,460,942	3,046,528	4,308,234	443,095			0
19	TOTAL ACCOUNT 366		146,001,246	98,749,352	2,162,213	9,280,374	7,880,940	12,440,421	1,215,245			6,940,645
20	367-UNDERGROUND COND & DEV											
21	CUST UG COND & DEVICES - PRIMARY	CUPRI	63,542,372	55,620,110	771,086	4,871,050	173,971	1,373,600	85,371			64,610
21	DEM UG COND & DEVICES - PRIMARY	DNCPPRI	63,542,372	27,310,315	1,000,389	2,887,315	6,020,968	8,514,526	875,705			8,920,549
22	CUST UG COND & DEVICES - SEC	CUSEC	3,344,335	2,928,765	40,603	256,493	9,161	72,329	4,495			3,402
22	DEM UG COND & DEVICES - SEC	DNCPSEC	3,344,335	1,918,381	70,271	202,816	422,936	598,093	61,513			0
23	TOTAL ACCOUNT 367		133,773,414	87,777,572	1,882,349	8,217,674	6,627,035	10,558,549	1,027,085			8,988,561
24	368-LINE TRANSFORMERS											
25	CUST COMP LINE TRANSFORM	CUSECTR	59,516,021	52,120,510	722,569	4,564,565	163,025	1,287,174	80,000			60,544
25	DEM COMP LINE TRANSFORM	DNCPSECT	59,516,021	28,752,423	1,053,215	3,039,778	6,338,902	8,964,131	921,946			9,391,594
26	TOTAL ACCOUNT 368		119,032,042	80,872,933	1,775,784	7,604,344	6,501,927	10,251,305	1,001,946			9,452,139
27	369-SERVICES	CUSECS	37,406,262	31,594,834	438,013	2,766,985	245,431	1,937,824	240,877			182,298

			LARGE GEN SERV TOU SUBSTA SEC SC 8 (11)	LARGE GEN SERV TOU PRI SC 8 (12)	LARGE GEN SERV TOU SUB-TRAN IND SC 8 (13)	LARGE GEN SERV TOU SUB-TRAN COM SC 8 (14)	LARGE GEN SERV TOU TRAN SC 8 (15)	(16)	TOTAL LIGHTING (17)
1	DISTRIBUTION PLANT								
2									
3	360-LAND & LAND RIGHTS								
4	PRIMARY	DNCPPRI	0	1,037,435	0	0	0		148,136
5	TOTAL ACCOUNT 360		0	1,037,435	0	0	0		148,136
6	361-STRUCTURES & IMPROVEMENTS	DNCPSTA	164,886	895,711	0	0	0		127,899
7	362-STATION EQUIPMENT	DNCPPRI	0	11,533,059	0	0	0		1,646,809
8	364-POLES, TOWERS & FIXTURES								
9	CUST POLES, TOWERS & FIXT - PRIMARY	CUPRI	0	22,522	0	0	0		412,165
9	DEM POLES, TOWERS & FIXT - PRIMARY	DNCPPRI	0	5,231,582	0	0	0		747,019
10	CUST POLES, TOWERS & FIXT - SEC	CUSEC	0	0	0	0	0		45,818
10	DEM POLES, TOWERS & FIXT - SEC	DNCPSEC	0	0	0	0	0		110,777
11	TOTAL ACCOUNT 364		0	5,254,103	0	0	0		1,315,779
12	365-OVERHEAD COND & DEVICES								
13	CUST OH COND & DEVICES - PRIMARY	CUPRI	0	20,349	0	0	0		372,412
13	DEM OH COND & DEVICES - PRIMARY	DNCPPRI	0	4,726,993	0	0	0		674,969
14	CUST OH COND & DEVICES - SEC	CUSEC	0	0	0	0	0		60,654
14	DEM OH COND & DEVICES - SEC	DNCPSEC	0	0	0	0	0		146,648
15	TOTAL ACCOUNT 365		0	4,747,342	0	0	0		1,254,682
16	366-UNDERGROUND CONDUIT								
17	CUST UG CONDUIT & DEVICES - PRIMARY	CUPRI	0	23,233	0	0	0		425,190
17	DEM UG CONDUIT & DEVICES - PRIMARY	DNCPPRI	0	5,396,909	0	0	0		770,626
18	CUST UG CONDUIT & DEVICES - SEC	CUSEC	0	0	0	0	0		209,522
18	DEM UG CONDUIT & DEVICES - SEC	DNCPSEC	0	0	0	0	0		506,576
19	TOTAL ACCOUNT 366		0	5,420,142	0	0	0		1,911,914
20	367-UNDERGROUND COND & DEV								
21	CUST UG COND & DEVICES - PRIMARY	CUPRI	0	30,184	0	0	0		552,390
21	DEM UG COND & DEVICES - PRIMARY	DNCPPRI	0	7,011,439	0	0	0		1,001,165
22	CUST UG COND & DEVICES - SEC	CUSEC	0	0	0	0	0		29,087
22	DEM UG COND & DEVICES - SEC	DNCPSEC	0	0	0	0	0		70,326
23	TOTAL ACCOUNT 367		0	7,041,622	0	0	0		1,652,967
24	368-LINE TRANSFORMERS								
25	CUST COMP LINE TRANSFORM	CUSECTR	0	0	0	0	0		517,633
25	DEM COMP LINE TRANSFORM	DNCPSECT	0	0	0	0	0		1,054,031
26	TOTAL ACCOUNT 368		0	0	0	0	0		1,571,665
27	369-SERVICES	CUSECS	0	0	0	0	0		0

New York State Electric & Gas Corporation
Rochester Gas and Electric Corporation

PSC Case No. 09-E-0715
PSC Case No. 09-G-0716
PSC Case No. 09-E-0717
PSC Case No. 09-G-0718

Information Request

Requesting Party and No.: A. Rider (DPS-372)

NYRC Response No.: NYRC-0508 (DPS-372)

Request Date: November 18, 2009

Information Requested of: Revenue Decoupling Mechanism Panel

Reply Date: November 23, 2009

Responsible Witness: Revenue Decoupling Mechanism Panel

QUESTION:

Company-Run Energy Efficiency Programs

1. For both NYSEG and RG&E, please list the electric energy efficiency programs offered by each company without the involvement of NYSERDA, and provide the electric service classifications whose customers are eligible to participate in each program.

RESPONSE:

Program Name	Status	NYSEG SCs	RG&E SCs
Multifamily Program	Approved 7/27/09 Savings begin 2/10	1, 8, 12, 6, 9, 2, 3 and 7	1, 4, 2, 3, 7, 8 and 9
C&I Prescriptive Rebate Program*	Approved 10/23/09 Savings begin Q2 10	9, 2, 3, 7, 11, 13 and 14	3, 7, 8, 9, 10, 11, 12 and 14
C&I Custom Rebate Program*	Approved 11/13/09 Savings begin Q2 10	9, 2, 3, 7, 11, 13 and 14	3, 7, 8, 9, 10, 11, 12 and 14
Small Business Direct	Approved 11/13/09	6, 9, 2, 3, 7 and	2, 7, 9 and 14

Program Name	Status	NYSEG SCs	RG&E SCs
Installation Program*	Savings begin Q2 10	11	
Residential HVAC Program	Under review by DPS Staff	1, 8 and 12	1 and 4
Residential Recommissioning Program	Under review by DPS Staff	1, 8 and 12	1 and 4
Residential Lighting Program	Under review by DPS Staff	1, 8 and 12	1 and 4
Residential Limited Income Program	Under review by DPS Staff	1, 8 and 12	1 and 4
Block Bidding Program	Under review by DPS Staff	All service classes	All service classes

* For the C&I programs listed above, religious organizations, veteran's homes, or community residences that may be taking service under a residential service class due to the exception provided under PSL Section 76 may take advantage of rebates/measures offered to C&I customers due to the nature/size of the building (a typical residential measure may not make sense for these types of customers in terms of energy efficiency).

New York State Electric & Gas Corporation
Rochester Gas and Electric Corporation

PSC Case No. 09-E-0715
PSC Case No. 09-G-0716
PSC Case No. 09-E-0717
PSC Case No. 09-G-0718

Information Request

Requesting Party and No.: A. Rider (DPS-189)

NYRC Response No.: NYRC-0196 (DPS-189)

Request Date: October 30, 2009

Information Requested of: Revenue Decoupling Mechanism Panel

Reply Date: November 3, 2009

Responsible Witness: Revenue Decoupling Mechanism Panel

QUESTION:

Billed Revenues and the RDM - NYSEG

1. Would billed revenue reported for September 2010 reflect service taken by customers prior to September 1, 2010?

2. For each customer class included in the proposed RDM, what is the typical percentage of billed revenue reported in a month associated with service from a prior month?

3. Should billed revenue associated with service taken by customers prior to September 1, 2010 be reconciled in the rate year RDM? Please explain your answer.

RESPONSE:

1. Yes.

2. On the 1st of the month, cycle 1 will bill 100% of the prior month use ... by the end of the month; the last cycle will bill 100% of the current month use. For the month on average 50% of the use will be billed and 50% will be unbilled.

3. The Panel recognizes that once new rates are set, bills will need to be prorated to recognize the effective date of those rates. Consequently, the Panel recognizes that RDM targets for the first month of new rates will need to be adjusted to be consistent with this fact.

Exhibit 163

NEW YORK STATE ELECTRIC & GAS CORPORATION

CASE 09-E-0715

SEASONAL CUSTOMER ANALYSIS

			Electric Supply Rate per kWh	Electric Supply Rate per kWh
			$ 0.05	$ 0.09
SC 1 Residential				
Customer Months	12	$ 13.11	$ 157.32	$ 157.32
BIPP	12	$ 0.89	$ 10.68	$ 10.68
kWh	1500	$ 0.03470	$ 52.05	$ 52.05
			$ 220.05	$ 220.05
TC Rate		$ (0.01170)	$ (17.55)	$ (17.55)
SBC		$ 0.00140	$ 2.10	$ 2.10
RPS		$ 0.00090	$ 1.35	$ 1.35
EEPS		$ 0.00160	$ 2.40	$ 2.40
TSAS - 18a		$ 0.00250	$ 3.75	$ 3.75
Delivery GRT		2.041%	$ 4.33	$ 4.33
Electric Supply			$ 75.00	$ 135.00
MFC		$ 0.00180	$ 2.70	$ 2.70
Commodity GRT		0.000%	$ -	$ -
			$ 294.13	$ 354.13
SC 1 Residential - Seasonal				
kWh	1500	$ 0.03470	$ 52.05	$ 52.05
			$ 52.05	$ 52.05
TC Rate		$ (0.01170)	$ (17.55)	$ (17.55)
SBC		$ 0.00140	$ 2.10	$ 2.10
RPS		$ 0.00090	$ 1.35	$ 1.35
EEPS		$ 0.00160	$ 2.40	$ 2.40
TSAS - 18a		$ 0.00250	$ 3.75	$ 3.75
Delivery GRT		2.041%	$ 0.90	$ 0.90
Electric Supply			$ 75.00	$ 135.00
MFC		$ 0.00180	$ 2.70	$ 2.70
Commodity GRT		0.000%	$ -	$ -
			$ 122.70	$ 182.70
ADJUSTMENT			$ 45.30	$ -
			$ 168.00	$ 182.70

ERP PROPOSAL

SC 1 Residential - Seasonal				
kWh	1500	$ 0.03470	$ 52.05	$ 52.05
			$ 52.05	$ 52.05
		Reconciliation	$ 115.95	$ 115.95
		Total	$ 168.00	$ 168.00
Savings as compared to standard Res Rate			$ (52.05)	$ (52.05)

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NEW YORK STATE ELECTRIC & GAS CORPORATION

CASE 09-E-0715

SEASONAL CUSTOMER PRICE OUT

	Cust. Mos. kWh Units	Current Rates	Current Revenue
NYSEG RATE YEAR FORECAST			
SC 1S Residential Seasonal			
Customer Months	92,848		
kWh Delivery	11,903,171		
SC 8S Residential Day/Night Seasonal			
Customer Months	11,964		
kWh Delivery	3,250,502		
NYSEG ESTIMATED RATE YEAR REVENUES			
SC 1S Residential Seasonal			
kWh Delivery	11,903,171	$ 0.03470	$ 413,040
SC 8S Residential Day/Night Seasonal			
kWh Delivery	3,250,502	$ 0.03470	$ 112,792
TEST OF MINIMUM DELIVERY REVENUE			
SC 1S Residential Seasonal	92,848	$ 14.00	$ 1,299,872
SC 8S Residential Day/Night Seasonal	11,964	$ 16.29	$ 194,894
ERP ADJUSTMENT			
SC 1S Residential Seasonal			$ 886,832
SC 8S Residential Day/Night Seasonal			$ 82,101
TOTAL			$ 968,933

Exhibit 164

New York State Electric & Gas Corporation
Electric Department
Revenue Allocation
Forecast Year Ending August 31, 2011

PSC 120 Service Classifications (SC)	Present Delivery Revenue	Staff Allocation Allocation	Allocation (%)	Proposed Delivery Revenue	Staff Indexed return	Company Indexed returns
SC # 1 - Residential Regular	246,917,890	(11,852,059)	-4.80%	235,065,831	1.07	1.42
SC # 8 - Residential Day-Night	74,694,588	(3,585,340)	-4.80%	71,109,248	1.11	0.89
SC #12 - Residential Time of Use	8,204,393	(196,905)	-2.40%	8,007,488	-0.10	1.16
SC #6 - General Service Regular	21,528,114	(516,675)	-2.40%	21,011,439	0.27	2.16
SC # 9 - General Service Day-Night	1,119,549	(26,869)	-2.40%	1,092,680	0.63	1.61
SC # 2 - General Service-w/Demand	91,040,551	(6,737,001)	-7.40%	84,303,550	1.46	0.82
S.C. HLF	264,490	-	0.00%	264,490	-	
SC #7-1 - General Service-Time of Use	33,179,784	(2,455,304)	-7.40%	30,724,480	1.40	0.45
S.C. 7-1 HLF	2,137,654	-	0.00%	2,137,654	-	
SC # 3P - Primary Service	2,434,600	(58,430)	-2.40%	2,376,170	0.77	0.22
HLF	17,496	-	0.00%	17,496	-	
SC # 7-2 - Primary Service-Time of Use	16,556,871	(397,365)	-2.40%	16,159,506	0.73	0.16
HLF	8,349,624	-	0.00%	8,349,624	-	
SC # 3S - Sub transmission Service	74,311	(5,499)	-7.40%	68,812	2.62	2.70
SC # 7-3 - Sub transmission-Time of Use	3,957,248	(94,974)	-2.40%	3,862,274	-0.03	0.07
HLF	2,590,682	-	0.00%	2,590,682	-	
SC # 7-4 - Transmission-Time of Use	591,549	(14,197)	-2.40%	577,352	-0.82	-0.72
HLF	819,301	-	0.00%	819,301	-	
SC #11 - Standby Service Old	362,000	-	-	362,000		
SC #11 - Standby Service New	159,000	(7,791)	-4.90%	151,209		
SC # 5 - Outdoor Lighting	2,112,000	(50,688)	-2.40%	2,061,312	-0.32	0.42
NYPA New	578,000	(28,322)	-4.90%	549,678		
NYPA Old	798,000			798,000		
PSC 121 Service Classifications (SC) Street Lighting	9,229,000	(452,221)	-4.90%	8,776,779	0.99	0.86
Total PSC 120 and 121	527,716,695	(26,479,641)	-5.0%	501,237,054		

Staff revenue requirement	-18,421,000	
GRT		
Gross base	-18,421,000	
MFC	-9,465,000	
Bill issuance	1,701,000	
Net base increase	-26,185,000	-5.0%

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Rochester Gas and Electric Corporation
Electric Department
Revenue Allocation
Forecast Year Ending August 31, 2011

PSC 19 Service Classifications (SC)	Present Delivery Revenue	Allocation	Allocation (%)	Proposed Delivery Revenue	Staff Indexed Return	Company Indexed Return
SC #1 - Residential Service	158,060,412	-5,374,054	-3.40%	152,686,358	0.70	1.13
SC #4 -Residential Service - Time-of-Use - Schedule 1	2,430,822	-108,658	-4.47%	2,322,164	1.02	0.87
SC #4-Residential Service - Time of Use - Schedule II	2,545,970	-113,805	-4.47%	2,432,165	1.02	0.87
SC #2 - General Service - Small Use	12,235,730	-275,304	-2.25%	11,960,426	0.22	0.46
SC #3 - General Service - 100 kW Minimum	23,175,558	-1,555,080	-6.71%	21,620,478	1.50	0.76
SC #6 - Area Lighting	981,000	-22,563	-2.30%	958,437	0.41	0.32
SC #7 - General Service - 12 kW Minimum	42,903,183	-2,878,804	-6.71%	40,024,379	2.06	1.31
SC #8 - Large General Service - Time-of-Use						
Transmission	727,618	-16,735	-2.30%	710,883	0.44	0.47
Subtransmission - Industrial	9,913,617	-665,204	-6.71%	9,248,413	2.18	2.2
Subtransmission - Commercial	10,946,357	-734,501	-6.71%	10,211,856	1.93	1.94
Substation	3,045,915	-204,381	-6.71%	2,841,534	2.48	2.5
Primary	18,025,024	-805,719	-4.47%	17,219,305	0.95	0.39
Secondary	25,433,517	-1,136,878	-4.47%	24,296,639	1.07	0.46
SC #9 - General Service - Time-of-Use	3,640,352	-244,268	-6.71%	3,396,084	1.69	0.96
SC # 14 Standby Service	2,896,000	-129,451	-4.47%	2,766,549		
Street Lighting Service - All Classes	5,307,000	-122,061	-2.30%	5,184,939	0.41	0.32
Total	322,268,075	-14,387,464	-4.46%	307,880,611		

Total revenue increase	0		
GRT	0		
Gross Base	0		
MFC	-14,411,000		
BIPP	-467		
Base increase	-14,411,467		-4.47%

Exhibit 165

New York State Electric and Gas Corporation & Rochester Gas and Electric Corporation

Comparison of Staff Embedded and Marginal customer costs and current customer charges

NYSEG

	S.C.1	S.C. 8	S.C.12	S.C.6	S.C.9	S.C.2	S.C. 7-1	S.C.3P	S.C.7-2	S.C.3S	S.C.7-3	S.C.7-4
Embedded	$18.87	$20.80	$205.77	$33.78	$36.10	$52.72	$124.94	$160.89	$968.50	$133.44	$2,010.17	$10,340.64
Marginal	$24.17	$26.63	$50.51	$23.74	$24.58	$113.08	$189.27	$330.95	$1,401.00			$2,076.22
current CC	$14.00	$16.29	$23.00	$15.49	$18.14	$14.00	$30.00	$60.00	$210.00	$200.00	$320.00	$850.00
proposed CC	$15.91	$18.20	$24.91	$17.40	$20.05	$15.91	$31.99	$62.27	$218.27	$207.87	$332.67	$883.87
Company Marginal	$37.67	$40.13	$84.26	$40.51	$41.35	$186.52	$284.30	$493.13	$2,566.47			$2,076.22

RG&E

	S.C.1	S.C.4	S.C.2	S.C.3	S.C.7	S.C. 9	S.C.8-sec	S.C.8subs	S.C.8 pri	S.C.8 subti	S.C.8 subtc	S.C.Tra
Embedded	$23.30	$35.92	$26.71	$184.26	$53.84	$97.19	$500.36	$716.64	$878.71	$3,270.81	$1,413.76	$5,868.33
Marginal	$25.58	$43.46	$84.95	$341.42	$186.84	$136.11	$816.13	$2,888.62	$1,454.84	$2,888.62	$2,888.62	$1,594.70
current cc	$20.00	$24.00	$20.00	$160.00	$50.00	$50.00	$500.00	$800.00	$450.00	$700.00	$700.00	$950.00
proposed cc	$22.46	$26.44	$22.46	$162.46	$52.46	$52.46	$520.46	$830.46	$470.46	$730.46	$730.46	$990.46
Company marginal	$30.75	$59.49	$150.01	$574.87	$349.22	$224.61	$1,530.97	$2,888.62	$2,687.00	$2,888.62	$2,888.62	$1,594.00

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Exhibit 166

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC1		
CustChg	Monthly	$	13.11
BillChg	Per Bill	$	0.89
DmdChg	kW	$	-
DelRate1	kWh	$	0.03470
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.01170)
KwhRate1	kWh	$	0.05510
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kWh	$	0.00250
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00180
GRTcom	kWh		1.000000
GRTDel	kWh		1.020408

Proposed	SC1		
CustChg	Monthly	$	15.11
BillChg	Per Bill	$	0.80
DmdChg	kW	$	-
DelRate1	kWh	$	0.02870
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00939)
KwhRate1	kWh	$	0.05510
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kWh	$	0.00250
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00510
GRTcom	kWh		1.000000
GRTDel	kWh		1.020408

PSC No. 120 S.C. 1 Residential

kWh	Present	Proposed	increase / decrease Amount	Percent
300	$40.36	$42.26	$1.90	4.7%
400	$49.05	$50.90	$1.85	3.8%
500	$57.74	$59.54	$1.81	3.1%
600	$66.43	$68.19	$1.76	2.7%
700	$75.12	$76.83	$1.72	2.3%
800	$83.81	$85.47	$1.67	2.0%
900	$92.50	$94.12	$1.62	1.8%
1000	$101.19	$102.76	$1.58	1.6%
1100	$109.88	$111.40	$1.53	1.4%
1200	$118.57	$120.05	$1.48	1.3%
1500	$144.64	$145.98	$1.34	0.9%
2000	$188.09	$189.20	$1.11	0.6%

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New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC8		
CustChg	Monthly	$	15.40
BillChg	Per Bill	$	0.89
DmdChg	kW	$	-
DelRate1	kWh	$	0.03590
DelRate2	kWh	$	0.01710
DelRate3	kWh	$	-
TCrate	kWh	$	(0.01170)
KwhRate1	kWh	$	0.05660
KwhRate2	kWh	$	0.04490
KwhRate3	kWh	$	-
TSASRate1	kWh	$	0.00260
TSASRate2	kWh	$	0.00130
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00180
GRTcom	kWh		1.000000
GRTDel	kWh		1.020408

Proposed	SC8		
CustChg	Monthly	$	17.40
BillChg	Per Bill	$	0.80
DmdChg	kW	$	-
DelRate1	kWh	$	0.02600
DelRate2	kWh	$	0.02600
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00939)
KwhRate1	kWh	$	0.05660
KwhRate2	kWh	$	0.04490
KwhRate3	kWh	$	-
TSASRate1	kWh	$	0.00260
TSASRate2	kWh	$	0.00130
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00510
GRTcom	kWh		1.000000
GRTDel	kWh		1.020408

Monthly Bill Impact

					increase / decrease	
kWh	**Peak**	**Off Peak**	**Present**	**Proposed**	**Amount**	**Percent**
300	201	99	$40.35	$42.87	$2.51	6.2%
400	268	132	$48.26	$50.96	$2.70	5.6%
500	335	165	$56.17	$59.06	$2.89	5.1%
600	402	198	$64.08	$67.16	$3.08	4.8%
700	469	231	$71.99	$75.26	$3.27	4.5%
800	536	264	$79.90	$83.36	$3.46	4.3%
900	603	297	$87.81	$91.46	$3.65	4.2%
1000	670	330	$95.72	$99.55	$3.83	4.0%
1100	737	363	$103.63	$107.65	$4.02	3.9%
1200	804	396	$111.54	$115.75	$4.21	3.8%
1500	1005	495	$135.27	$140.05	$4.78	3.5%
2000	1340	660	$174.82	$180.54	$5.72	3.3%
2500	1675	825	$214.37	$221.03	$6.66	3.1%
3000	2010	990	$253.91	$261.52	$7.61	3.0%
3500	2345	1155	$293.46	$302.01	$8.55	2.9%
4000	2680	1320	$333.01	$342.50	$9.49	2.9%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC12	
CustChg	Monthly	$	22.11
BillChg	Per Bill	$	0.89
DmdChg	kW	$	-
DelRate1	kWh	$	0.07160
DelRate2	kWh	$	0.03280
DelRate3	kWh	$	0.01710
TCrate	kWh	$	(0.01170)
KwhRate1	kWh	$	0.06240
KwhRate2	kWh	$	0.05420
KwhRate3	kWh	$	0.04400
TSASRate1	kWh	$	0.00370
TSASRate2	kWh	$	0.00170
TSASRate3	kWh	$	0.00090
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00180
GRTcom	kWh		1.000000
GRTDel	kWh		1.020408

Proposed		SC12	
CustChg	Monthly	$	25.00
BillChg	Per Bill	$	0.80
DmdChg	kW	$	-
DelRate1	kWh	$	0.03140
DelRate2	kWh	$	0.03140
DelRate3	kWh	$	0.03140
TCrate	kWh	$	(0.00939)
KwhRate1	kWh	$	0.06240
KwhRate2	kWh	$	0.05420
KwhRate3	kWh	$	0.04400
TSASRate1	kWh	$	0.00370
TSASRate2	kWh	$	0.00170
TSASRate3	kWh	$	0.00090
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00510
GRTcom	kWh		1.000000
GRTDel	kWh		1.020408

PSC No. 120 S.C. 12 Residential TOU

			increase / decrease	
Annual kWh	**Present**	**Proposed**	**Amount**	**Percent**
30,000	$227.13	$240.36	$13.23	5.8%
40,000	$295.02	$311.71	$16.69	5.7%
50,000	$362.91	$383.05	$20.15	5.6%
60,000	$430.79	$454.40	$23.60	5.5%
70,000	$498.68	$525.74	$27.06	5.4%
80,000	$566.57	$597.09	$30.52	5.4%
90,000	$634.45	$668.43	$33.98	5.4%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC6	
CustChg	Monthly	$	14.60
BillChg	Per Bill	$	0.89
DmdChg	kW	$	-
DelRate1	kWh	$	0.03779
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00479)
KwhRate1	kWh	$	0.05591
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kWh	$	0.00341
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00180
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000

Proposed		SC6	
CustChg	Monthly	$	16.60
BillChg	Per Bill	$	0.80
DmdChg	kW	$	-
DelRate1	kWh	$	0.03041
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00248)
KwhRate1	kWh	$	0.05591
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kWh	$	0.00341
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00510
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000

Monthly Bill Impact

			increase / decrease	
kWh	**Present**	**Proposed**	**Amount**	**Percent**
300	$44.90	$46.28	$1.38	3.1%
400	$54.70	$55.90	$1.20	2.2%
500	$64.50	$65.53	$1.02	1.6%
600	$74.30	$75.15	$0.85	1.1%
700	$84.10	$84.78	$0.67	0.8%
800	$93.91	$94.40	$0.49	0.5%
900	$103.71	$104.03	$0.32	0.3%
1000	$113.51	$113.65	$0.14	0.1%
1100	$123.31	$123.28	($0.04)	0.0%
1200	$133.11	$132.90	($0.21)	-0.2%
1500	$162.52	$161.78	($0.74)	-0.5%
2000	$211.53	$209.90	($1.63)	-0.8%
2500	$260.54	$258.03	($2.51)	-1.0%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC9
CustChg	Monthly	$ 17.25
BillChg	Per Bill	$ 0.89
DmdChg	kW	$ -
DelRate1	kWh	$ 0.03975
DelRate2	kWh	$ 0.01911
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00479)
KwhRate1	kWh	$ 0.04313
KwhRate2	kWh	$ 0.04313
KwhRate3	kWh	$ -
TSASRate1	kWh	$ 0.00361
TSASRate2	kWh	$ 0.00174
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00180
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000

Proposed		SC9
CustChg	Monthly	$ 19.25
BillChg	Per Bill	$ 0.80
DmdChg	kW	$ -
DelRate1	kWh	$ 0.02951
DelRate2	kWh	$ 0.02951
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00248)
KwhRate1	kWh	$ 0.04313
KwhRate2	kWh	$ 0.04313
KwhRate3	kWh	$ -
TSASRate1	kWh	$ 0.00361
TSASRate2	kWh	$ 0.00174
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00510
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000

Monthly Bill Impact

					increase / decrease	
kWh	**Peak**	**Off Peak**	**Present**	**Proposed**	**Amount**	**Percent**
300	201	99	$42.13	$44.70	$2.56	6.1%
400	268	132	$50.13	$52.91	$2.78	5.6%
500	335	165	$58.13	$61.13	$3.00	5.2%
600	402	198	$66.12	$69.34	$3.22	4.9%
700	469	231	$74.12	$77.56	$3.44	4.6%
800	536	264	$82.12	$85.77	$3.65	4.5%
900	603	297	$90.11	$93.99	$3.87	4.3%
1000	670	330	$98.11	$102.20	$4.09	4.2%
1100	737	363	$106.11	$110.42	$4.31	4.1%
1200	804	396	$114.11	$118.63	$4.53	4.0%
1500	1005	495	$138.10	$143.28	$5.18	3.8%
2000	1340	660	$178.08	$184.36	$6.27	3.5%
2500	1675	825	$218.07	$225.43	$7.36	3.4%
3000	2010	990	$258.06	$266.51	$8.45	3.3%
3500	2345	1155	$298.04	$307.59	$9.54	3.2%
4000	2680	1320	$338.03	$348.66	$10.63	3.1%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC2	
CustChg	Monthly	$	13.11
BillChg	Per Bill	$	0.89
DmdChg	kW	$	8.00
DelRate1	kWh	$	0.00416
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00479)
KwhRate1	kWh	$	0.05585
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kW	$	0.61
TSAS	kWh	$	0.00032
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00180
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Proposed		SC2	
CustChg	Monthly	$	15.11
BillChg	Per Bill	$	0.80
DmdChg	kW	$	8.41
DelRate1	kWh	$	-
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00248)
KwhRate1	kWh	$	0.05585
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kW	$	0.61
TSAS	kWh	$	0.00032
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00510
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Monthly Bill Impact

Kw	Hours Use	kWh	Present	Proposed	increase / decrease Amount	Percent
5	50	250	$72	$77	$4.32	6.0%
5	100	500	$88	$92	$4.69	5.3%
5	200	1,000	$118	$124	$5.41	4.6%
5	300	1,500	$149	$155	$6.14	4.1%
5	350	1,750	$164	$171	$6.50	4.0%
5	365	1,825	$169	$175	$6.61	3.9%
5	400	2,000	$180	$186	$6.86	3.8%
5	440	2,200	$192	$199	$7.15	3.7%
5	510	2,550	$213	$221	$7.66	3.6%
5	585	2,925	$236	$244	$8.20	3.5%
5	655	3,275	$258	$266	$8.71	3.4%
5	730	3,650	$281	$290	$9.25	3.3%
25	50	1,250	$306	$320	$13.97	4.6%
25	100	2,500	$382	$398	$15.79	4.1%
25	200	5,000	$535	$555	$19.41	3.6%
25	300	7,500	$689	$712	$23.04	3.3%
25	350	8,750	$765	$790	$24.85	3.2%
25	365	9,125	$788	$813	$25.39	3.2%
25	400	10,000	$842	$868	$26.66	3.2%
25	440	11,000	$903	$931	$28.11	3.1%
25	510	12,750	$1,010	$1,041	$30.65	3.0%
25	585	14,625	$1,125	$1,158	$33.37	3.0%
25	655	16,375	$1,232	$1,268	$35.90	2.9%
25	730	18,250	$1,347	$1,386	$38.62	2.9%
100	50	5,000	$1,181	$1,231	$50.16	4.2%
100	100	10,000	$1,487	$1,545	$57.41	3.9%
100	200	20,000	$2,100	$2,172	$71.91	3.4%
100	300	30,000	$2,712	$2,799	$86.41	3.2%
100	350	35,000	$3,018	$3,112	$93.66	3.1%
100	365	36,500	$3,110	$3,206	$95.84	3.1%
100	400	40,000	$3,325	$3,426	$100.91	3.0%
100	440	44,000	$3,570	$3,676	$106.71	3.0%
100	510	51,000	$3,998	$4,115	$116.86	2.9%
100	585	58,500	$4,458	$4,585	$127.74	2.9%
100	655	65,500	$4,886	$5,024	$137.89	2.8%
100	730	73,000	$5,346	$5,494	$148.76	2.8%
300	50	15,000	$3,516	$3,662	$146.66	4.2%
300	100	30,000	$4,434	$4,603	$168.41	3.8%
300	200	60,000	$6,271	$6,483	$211.91	3.4%
300	300	90,000	$8,109	$8,364	$255.41	3.1%
300	350	105,000	$9,027	$9,304	$277.16	3.1%
300	365	109,500	$9,303	$9,586	$283.69	3.0%
300	400	120,000	$9,946	$10,245	$298.91	3.0%
300	440	132,000	$10,681	$10,997	$316.31	3.0%
300	510	153,000	$11,967	$12,313	$346.76	2.9%
300	585	175,500	$13,345	$13,724	$379.39	2.8%
300	655	196,500	$14,631	$15,040	$409.83	2.8%
300	730	219,000	$16,009	$16,451	$442.46	2.8%

New York State Electric & Gas Corporation
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Monthly Bill Impact

Present		SC2HLF	
CustChg	Monthly	$	13.11
BillChg	Per Bill	$	0.89
DmdChg	kW	$	2.30
DelRate1	kWh	$	0.00102
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00479)
KwhRate1	kWh	$	0.05245
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kW	$	0.18
TSAS	kWh	$	0.00008
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00180
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Proposed		SC2HLF	
CustChg	Monthly	$	15.11
BillChg	Per Bill	$	0.80
DmdChg	kW	$	2.90
DelRate1	kWh	$	-
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00248)
KwhRate1	kWh	$	0.05245
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kW	$	0.18
TSAS	kWh	$	0.00008
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00510
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Monthly Bill Impact

Kw	Hours Use	kWh	Present	Proposed	increase / decrease Amount	Percent
5	50	250	$40	$46	$6.06	15.1%
5	100	500	$54	$61	$7.21	13.4%
5	200	1,000	$81	$90	$9.50	11.7%
5	300	1,500	$108	$120	$11.80	10.9%
5	350	1,750	$122	$135	$12.94	10.6%
5	365	1,825	$126	$139	$13.29	10.6%
5	400	2,000	$135	$149	$14.09	10.4%
5	440	2,200	$146	$161	$15.01	10.3%
5	510	2,550	$165	$182	$16.61	10.1%
5	585	2,925	$186	$204	$18.34	9.9%
5	655	3,275	$205	$225	$19.94	9.7%
5	730	3,650	$225	$247	$21.66	9.6%
25	50	1,250	$144	$167	$22.65	15.7%
25	100	2,500	$212	$241	$28.39	13.4%
25	200	5,000	$348	$388	$39.86	11.4%
25	300	7,500	$484	$536	$51.34	10.6%
25	350	8,750	$553	$610	$57.07	10.3%
25	365	9,125	$573	$632	$58.79	10.3%
25	400	10,000	$621	$683	$62.81	10.1%
25	440	11,000	$675	$742	$67.40	10.0%
25	510	12,750	$770	$846	$75.43	9.8%
25	585	14,625	$872	$957	$84.04	9.6%
25	655	16,375	$968	$1,060	$92.07	9.5%
25	730	18,250	$1,070	$1,171	$100.68	9.4%
100	50	5,000	$534	$619	$84.86	15.9%
100	100	10,000	$807	$914	$107.81	13.4%
100	200	20,000	$1,351	$1,505	$153.71	11.4%
100	300	30,000	$1,896	$2,095	$199.61	10.5%
100	350	35,000	$2,168	$2,391	$222.56	10.3%
100	365	36,500	$2,250	$2,479	$229.45	10.2%
100	400	40,000	$2,440	$2,686	$245.51	10.1%
100	440	44,000	$2,658	$2,922	$263.87	9.9%
100	510	51,000	$3,039	$3,335	$296.00	9.7%
100	585	58,500	$3,448	$3,778	$330.43	9.6%
100	655	65,500	$3,829	$4,192	$362.56	9.5%
100	730	73,000	$4,238	$4,635	$396.98	9.4%
300	50	15,000	$1,575	$1,826	$250.76	15.9%
300	100	30,000	$2,392	$2,711	$319.61	13.4%
300	200	60,000	$4,026	$4,483	$457.31	11.4%
300	300	90,000	$5,659	$6,254	$595.01	10.5%
300	350	105,000	$6,476	$7,140	$663.86	10.3%
300	365	109,500	$6,721	$7,406	$684.52	10.2%
300	400	120,000	$7,293	$8,026	$732.71	10.0%
300	440	132,000	$7,947	$8,735	$787.79	9.9%
300	510	153,000	$9,090	$9,975	$884.18	9.7%
300	585	175,500	$10,316	$11,303	$987.45	9.6%
300	655	196,500	$11,459	$12,543	$1,083.85	9.5%
300	730	219,000	$12,685	$13,872	$1,187.12	9.4%

New York State Electric & Gas Corporation
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Monthly Bill Impact

Present			SC3P
CustChg	Monthly	$	59.11
BillChg	Per Bill	$	0.89
DmdChg	kW	$	4.60
DelRate1	kWh	$	0.00409
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00479)
KwhRate1	kWh	$	0.05320
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kW	$	0.59
TSAS	kWh	$	0.00053
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00120
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Proposed			SC3P
CustChg	Monthly	$	62.11
BillChg	Per Bill	$	0.80
DmdChg	kW	$	5.87
DelRate1	kWh	$	-
DelRate2	kWh		
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00248)
KwhRate1	kWh	$	0.05320
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kW	$	0.59
TSAS	kWh	$	0.00053
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00420
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Monthly Bill Impact

Kw	Hours Use	kWh	Present	Proposed	increase / decrease Amount	Percent
5	50	250	$100	$110	$9.57	9.5%
5	100	500	$115	$125	$9.87	8.6%
5	200	1,000	$144	$155	$10.48	7.3%
5	300	1,500	$173	$184	$11.09	6.4%
5	350	1,750	$188	$199	$11.40	6.1%
5	365	1,825	$192	$204	$11.49	6.0%
5	400	2,000	$202	$214	$11.70	5.8%
5	440	2,200	$214	$226	$11.94	5.6%
5	510	2,550	$234	$247	$12.37	5.3%
5	585	2,925	$256	$269	$12.83	5.0%
5	655	3,275	$276	$290	$13.26	4.8%
5	730	3,650	$298	$312	$13.71	4.6%
25	50	1,250	$262	$299	$36.19	13.8%
25	100	2,500	$335	$373	$37.71	11.3%
25	200	5,000	$480	$521	$40.76	8.5%
25	300	7,500	$626	$670	$43.81	7.0%
25	350	8,750	$698	$744	$45.34	6.5%
25	365	9,125	$720	$766	$45.79	6.4%
25	400	10,000	$771	$818	$46.86	6.1%
25	440	11,000	$829	$877	$48.08	5.8%
25	510	12,750	$931	$981	$50.21	5.4%
25	585	14,625	$1,040	$1,092	$52.50	5.0%
25	655	16,375	$1,142	$1,196	$54.64	4.8%
25	730	18,250	$1,251	$1,308	$56.93	4.6%
100	50	5,000	$870	$1,006	$136.01	15.6%
100	100	10,000	$1,160	$1,302	$142.11	12.2%
100	200	20,000	$1,742	$1,896	$154.31	8.9%
100	300	30,000	$2,323	$2,489	$166.51	7.2%
100	350	35,000	$2,614	$2,786	$172.61	6.6%
100	365	36,500	$2,701	$2,875	$174.44	6.5%
100	400	40,000	$2,904	$3,083	$178.71	6.2%
100	440	44,000	$3,137	$3,320	$183.59	5.9%
100	510	51,000	$3,544	$3,736	$192.13	5.4%
100	585	58,500	$3,980	$4,181	$201.28	5.1%
100	655	65,500	$4,387	$4,596	$209.82	4.8%
100	730	73,000	$4,822	$5,041	$218.97	4.5%
300	50	15,000	$2,489	$2,891	$402.21	16.2%
300	100	30,000	$3,361	$3,781	$420.51	12.5%
300	200	60,000	$5,105	$5,562	$457.11	9.0%
300	300	90,000	$6,849	$7,342	$493.71	7.2%
300	350	105,000	$7,721	$8,233	$512.01	6.6%
300	365	109,500	$7,982	$8,500	$517.50	6.5%
300	400	120,000	$8,593	$9,123	$530.31	6.2%
300	440	132,000	$9,290	$9,835	$544.95	5.9%
300	510	153,000	$10,511	$11,081	$570.57	5.4%
300	585	175,500	$11,819	$12,417	$598.02	5.1%
300	655	196,500	$13,040	$13,663	$623.64	4.8%
300	730	219,000	$14,347	$14,999	$651.09	4.5%

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Monthly Bill Impact

Present		SC3PHLF
CustChg	Monthly	$ 59.11
BillChg	Per Bill	$ 0.89
DmdChg	kW	$ 1.84
DelRate1	kWh	$ 0.00151
DelRate2	kWh	$ -
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00479)
KwhRate1	kWh	$ 0.05082
KwhRate2	kWh	$ -
KwhRate3	kWh	$ -
TSAS	kW	$ 0.24
TSAS	kWh	$ 0.00019
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00120
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Proposed		SC3PHLF
CustChg	Monthly	$ 62.11
BillChg	Per Bill	$ 0.80
DmdChg	kW	$ 3.20
DelRate1	kWh	$ -
DelRate2	kWh	$ -
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00248)
KwhRate1	kWh	$ 0.05082
KwhRate2	kWh	$ -
KwhRate3	kWh	$ -
TSAS	kW	$ 0.24
TSAS	kWh	$ 0.00019
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00420
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Monthly Bill Impact

Kw	Hours Use	kWh	Present	Proposed	Increase / decrease Amount	Percent
5	50	250	$84	$94	$10.66	12.8%
5	100	500	$97	$108	$11.61	12.0%
5	200	1,000	$123	$137	$13.51	11.0%
5	300	1,500	$150	$165	$15.41	10.3%
5	350	1,750	$163	$179	$16.36	10.0%
5	365	1,825	$167	$183	$16.65	10.0%
5	400	2,000	$176	$193	$17.31	9.8%
5	440	2,200	$187	$205	$18.07	9.7%
5	510	2,550	$205	$225	$19.40	9.5%
5	585	2,925	$225	$246	$20.83	9.3%
5	655	3,275	$243	$266	$22.16	9.1%
5	730	3,650	$263	$287	$23.58	9.0%
25	50	1,250	$178	$220	$41.66	23.4%
25	100	2,500	$244	$290	$46.41	19.0%
25	200	5,000	$376	$432	$55.91	14.9%
25	300	7,500	$508	$574	$65.41	12.9%
25	350	8,750	$574	$644	$70.16	12.2%
25	365	9,125	$594	$666	$71.59	12.0%
25	400	10,000	$640	$715	$74.91	11.7%
25	440	11,000	$693	$772	$78.71	11.4%
25	510	12,750	$786	$871	$85.36	10.9%
25	585	14,625	$885	$977	$92.49	10.5%
25	655	16,375	$977	$1,076	$99.14	10.1%
25	730	18,250	$1,076	$1,182	$106.26	9.9%
100	50	5,000	$532	$690	$157.91	29.7%
100	100	10,000	$796	$973	$176.91	22.2%
100	200	20,000	$1,325	$1,540	$214.91	16.2%
100	300	30,000	$1,853	$2,106	$252.91	13.6%
100	350	35,000	$2,117	$2,389	$271.91	12.8%
100	365	36,500	$2,196	$2,474	$277.61	12.6%
100	400	40,000	$2,381	$2,672	$290.91	12.2%
100	440	44,000	$2,593	$2,899	$306.11	11.8%
100	510	51,000	$2,962	$3,295	$332.71	11.2%
100	585	58,500	$3,359	$3,720	$361.21	10.8%
100	655	65,500	$3,728	$4,116	$387.81	10.4%
100	730	73,000	$4,125	$4,541	$416.31	10.1%
300	50	15,000	$1,476	$1,944	$467.91	31.7%
300	100	30,000	$2,269	$2,794	$524.91	23.1%
300	200	60,000	$3,854	$4,493	$638.91	16.6%
300	300	90,000	$5,439	$6,192	$752.91	13.8%
300	350	105,000	$6,231	$7,041	$809.91	13.0%
300	365	109,500	$6,469	$7,296	$827.01	12.8%
300	400	120,000	$7,024	$7,891	$866.91	12.3%
300	440	132,000	$7,658	$8,570	$912.51	11.9%
300	510	153,000	$8,767	$9,759	$992.31	11.3%
300	585	175,500	$9,956	$11,033	$1,077.81	10.8%
300	655	196,500	$11,065	$12,223	$1,157.61	10.5%
300	730	219,000	$12,254	$13,497	$1,243.11	10.1%

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Monthly Bill Impact

Present			SC3S
CustChg	Monthly	$	199.11
BillChg	Per Bill	$	0.89
DmdChg	kW	$	3.75
DelRate1	kWh	$	0.00265
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00479)
KwhRate1	kWh	$	0.05878
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kW	$	0.57
TSAS	kWh	$	0.00041
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00120
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Proposed			SC3S
CustChg	Monthly	$	214.11
BillChg	Per Bill	$	0.80
DmdChg	kW	$	3.82
DelRate1	kWh	$	-
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00248)
KwhRate1	kWh	$	0.05878
KwhRate2	kWh	$	-
KwhRate3	kWh	$	-
TSAS	kW	$	0.57
TSAS	kWh	$	0.00041
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00420
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Monthly Bill Impact

Kw	Hours Use	kWh	Present	Proposed	increase / decrease Amount	Percent
5	50	250	$237	$253	$15.93	6.7%
5	100	500	$253	$269	$16.59	6.6%
5	200	1,000	$284	$302	$17.92	6.3%
5	300	1,500	$315	$334	$19.25	6.1%
5	350	1,750	$330	$350	$19.92	6.0%
5	365	1,825	$335	$355	$20.11	6.0%
5	400	2,000	$346	$366	$20.58	5.9%
5	440	2,200	$358	$379	$21.11	5.9%
5	510	2,550	$380	$402	$22.04	5.8%
5	585	2,925	$403	$426	$23.04	5.7%
5	655	3,275	$425	$449	$23.97	5.6%
5	730	3,650	$448	$473	$24.97	5.6%
25	50	1,250	$386	$406	$19.99	5.2%
25	100	2,500	$463	$487	$23.31	5.0%
25	200	5,000	$619	$649	$29.96	4.8%
25	300	7,500	$774	$811	$36.61	4.7%
25	350	8,750	$852	$892	$39.94	4.7%
25	365	9,125	$875	$916	$40.93	4.7%
25	400	10,000	$930	$973	$43.26	4.7%
25	440	11,000	$992	$1,038	$45.92	4.6%
25	510	12,750	$1,100	$1,151	$50.58	4.6%
25	585	14,625	$1,217	$1,273	$55.56	4.6%
25	655	16,375	$1,326	$1,386	$60.22	4.5%
25	730	18,250	$1,442	$1,507	$65.20	4.5%
100	50	5,000	$943	$978	$35.21	3.7%
100	100	10,000	$1,254	$1,302	$48.51	3.9%
100	200	20,000	$1,875	$1,950	$75.11	4.0%
100	300	30,000	$2,497	$2,598	$101.71	4.1%
100	350	35,000	$2,807	$2,922	$115.01	4.1%
100	365	36,500	$2,900	$3,019	$119.00	4.1%
100	400	40,000	$3,118	$3,246	$128.31	4.1%
100	440	44,000	$3,367	$3,506	$138.95	4.1%
100	510	51,000	$3,802	$3,959	$157.57	4.1%
100	585	58,500	$4,268	$4,445	$177.52	4.2%
100	655	65,500	$4,703	$4,899	$196.14	4.2%
100	730	73,000	$5,169	$5,385	$216.09	4.2%
300	50	15,000	$2,428	$2,504	$75.81	3.1%
300	100	30,000	$3,361	$3,476	$115.71	3.4%
300	200	60,000	$5,225	$5,421	$195.51	3.7%
300	300	90,000	$7,090	$7,365	$275.31	3.9%
300	350	105,000	$8,022	$8,337	$315.21	3.9%
300	365	109,500	$8,301	$8,629	$327.18	3.9%
300	400	120,000	$8,954	$9,309	$355.11	4.0%
300	440	132,000	$9,700	$10,087	$387.03	4.0%
300	510	153,000	$11,005	$11,448	$442.89	4.0%
300	585	175,500	$12,403	$12,906	$502.74	4.1%
300	655	196,500	$13,708	$14,267	$558.60	4.1%
300	730	219,000	$15,107	$15,725	$618.45	4.1%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC7-1
CustChg	Monthly	$ 29.11
BillChg	Per Bill	$ 0.89
DmdChg	kW	$ 8.60
DelRate1	kWh	$ 0.00153
DelRate2	kWh	$ 0.00153
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00479)
KwhRate1	kWh	$ 0.06018
KwhRate2	kWh	$ 0.04782
KwhRate3	kWh	$ -
TSAS	kW	$ 0.71
TSAS	kWh	$ 0.00013
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00180
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Proposed		SC7-1
CustChg	Monthly	$ ~~34.44~~ 32.24
BillChg	Per Bill	$ 0.80
DmdChg	kW	$ 8.44
DelRate1	kWh	$ -
DelRate2	kWh	$ -
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00248)
KwhRate1	kWh	$ 0.06018
KwhRate2	kWh	$ 0.04782
KwhRate3	kWh	$ -
TSAS	kW	$ 0.71
TSAS	kWh	$ 0.00013
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00510
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Monthly Bill Impact

Kw	Hours Use	kWh	Peak	Off Peak	Present	Proposed	increase / decrease Amount	Percent
500	50	25,000	24,375	625	$6,246	$6,270	$23.91	0.4%
500	100	50,000	47,500	2,500	$7,792	$7,918	$125.91	1.6%
500	200	100,000	90,000	10,000	$10,836	$11,166	$329.91	3.0%
500	300	150,000	120,000	30,000	$13,727	$14,261	$533.91	3.9%
500	350	175,000	122,500	52,500	$15,017	$15,653	$635.91	4.2%
500	365	182,500	109,500	73,000	$15,235	$15,901	$666.51	4.4%
500	400	200,000	110,000	90,000	$16,123	$16,861	$737.91	4.6%
500	440	220,000	121,000	99,000	$17,266	$18,086	$819.51	4.7%
500	510	255,000	140,250	114,750	$19,268	$20,230	$962.31	5.0%
500	585	292,500	160,875	131,625	$21,412	$22,528	$1,115.31	5.2%
500	655	327,500	180,125	147,375	$23,414	$24,672	$1,258.11	5.4%
500	730	365,000	200,750	164,250	$25,559	$26,970	$1,411.11	5.5%
1000	50	50,000	48,750	1,250	$12,462	$12,508	$45.91	0.4%
1000	100	100,000	95,000	5,000	$15,553	$15,803	$249.91	1.6%
1000	200	200,000	180,000	20,000	$21,643	$22,301	$657.91	3.0%
1000	300	300,000	240,000	60,000	$27,423	$28,489	$1,065.91	3.9%
1000	350	350,000	245,000	105,000	$30,005	$31,275	$1,269.91	4.2%
1000	365	365,000	219,000	146,000	$30,439	$31,770	$1,331.11	4.4%
1000	400	400,000	240,000	160,000	$32,462	$33,936	$1,473.91	4.5%
1000	440	440,000	242,000	198,000	$34,503	$36,140	$1,637.11	4.7%
1000	510	510,000	280,500	229,500	$38,506	$40,429	$1,922.71	5.0%
1000	585	585,000	321,750	263,250	$42,795	$45,024	$2,228.71	5.2%
1000	655	655,000	360,250	294,750	$46,798	$49,312	$2,514.31	5.4%
1000	730	730,000	401,500	328,500	$51,087	$53,908	$2,820.31	5.5%
1500	50	75,000	73,125	1,875	$18,678	$18,746	$67.91	0.4%
1500	100	150,000	142,500	7,500	$23,315	$23,689	$373.91	1.6%
1500	200	300,000	270,000	30,000	$32,449	$33,435	$985.91	3.0%
1500	300	450,000	360,000	90,000	$41,120	$42,718	$1,597.91	3.9%
1500	350	525,000	367,500	157,500	$44,992	$46,896	$1,903.91	4.2%
1500	365	547,500	383,250	164,250	$46,320	$48,316	$1,995.71	4.3%
1500	400	600,000	360,000	240,000	$48,679	$50,889	$2,209.91	4.5%
1500	440	660,000	396,000	264,000	$52,147	$54,602	$2,454.71	4.7%
1500	510	765,000	459,000	306,000	$58,217	$61,100	$2,883.11	5.0%
1500	585	877,500	526,500	351,000	$64,720	$68,062	$3,342.11	5.2%
1500	655	982,500	589,500	393,000	$70,789	$74,560	$3,770.51	5.3%
1500	730	1,095,000	602,250	492,750	$76,616	$80,845	$4,229.51	5.5%
3000	50	150,000	146,250	3,750	$37,326	$37,460	$133.91	0.4%
3000	100	300,000	285,000	15,000	$46,600	$47,346	$745.91	1.6%
3000	200	600,000	540,000	60,000	$64,868	$66,838	$1,969.91	3.0%
3000	300	900,000	720,000	180,000	$82,210	$85,404	$3,193.91	3.9%
3000	350	1,050,000	735,000	315,000	$89,954	$93,760	$3,805.91	4.2%
3000	365	1,095,000	766,500	328,500	$92,611	$96,601	$3,989.51	4.3%
3000	400	1,200,000	720,000	480,000	$97,327	$101,745	$4,417.91	4.5%
3000	440	1,320,000	792,000	528,000	$104,264	$109,171	$4,907.51	4.7%
3000	510	1,530,000	918,000	612,000	$116,403	$122,167	$5,764.31	5.0%
3000	585	1,755,000	1,053,000	702,000	$129,410	$136,092	$6,682.31	5.2%
3000	655	1,965,000	1,179,000	786,000	$141,549	$149,088	$7,539.11	5.3%
3000	730	2,190,000	1,204,500	985,500	$153,202	$161,659	$8,457.11	5.5%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC7-1I/HLF	
CustChg	Monthly	$	29.11
BillChg	Per Bill	$	0.89
DmdChg	kW	$	3.67
DelRate1	kWh	$	0.00137
DelRate2	kWh	$	0.00137
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00479)
KwhRate1	kWh	$	0.05903
KwhRate2	kWh	$	0.04634
KwhRate3	kWh	$	-
TSAS	kW	$	0.30
TSAS	kWh	$	0.00011
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00180
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Proposed		SC7-1I/HLF	
CustChg	Monthly	$	~~[illegible]~~ 32.14
BillChg	Per Bill	$	0.80
DmdChg	kW	$	4.21
DelRate1	kWh	$	-
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00248)
KwhRate1	kWh	$	0.05903
KwhRate2	kWh	$	0.04634
KwhRate3	kWh	$	-
TSAS	kW	$	0.30
TSAS	kWh	$	0.00011
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00510
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Monthly Bill Impact

							increase / decrease	
Kw	Hours Use	kWh	Peak	Off Peak	Present	Proposed	Amount	Percent
500	50	25,000	24,375	625	$3,543	$3,920	$377.91	10.7%
500	100	50,000	47,500	2,500	$5,054	$5,538	$483.91	9.6%
500	200	100,000	90,000	10,000	$8,030	$8,726	$695.91	8.7%
500	300	150,000	120,000	30,000	$10,847	$11,755	$907.91	8.4%
500	350	175,000	122,500	52,500	$12,097	$13,111	$1,013.91	8.4%
500	365	182,500	109,500	73,000	$12,298	$13,343	$1,045.71	8.5%
500	400	200,000	110,000	90,000	$13,157	$14,277	$1,119.91	8.5%
500	440	220,000	121,000	99,000	$14,271	$15,476	$1,204.71	8.4%
500	510	255,000	140,250	114,750	$16,221	$17,574	$1,353.11	8.3%
500	585	292,500	160,875	131,625	$18,310	$19,822	$1,512.11	8.3%
500	655	327,500	180,125	147,375	$20,260	$21,920	$1,660.51	8.2%
500	730	365,000	200,750	164,250	$22,349	$24,168	$1,819.51	8.1%
1000	50	50,000	48,750	1,250	$7,055	$7,809	$753.91	10.7%
1000	100	100,000	95,000	5,000	$10,079	$11,044	$965.91	9.6%
1000	200	200,000	180,000	20,000	$16,030	$17,420	$1,389.91	8.7%
1000	300	300,000	240,000	60,000	$21,665	$23,479	$1,813.91	8.4%
1000	350	350,000	245,000	105,000	$24,165	$26,190	$2,025.91	8.4%
1000	365	365,000	219,000	146,000	$24,566	$26,655	$2,089.51	8.5%
1000	400	400,000	240,000	160,000	$26,538	$28,776	$2,237.91	8.4%
1000	440	440,000	242,000	198,000	$28,512	$30,920	$2,407.51	8.4%
1000	510	510,000	280,500	229,500	$32,412	$35,116	$2,704.31	8.3%
1000	585	585,000	321,750	263,250	$36,590	$39,612	$3,022.31	8.3%
1000	655	655,000	360,250	294,750	$40,490	$43,809	$3,319.11	8.2%
1000	730	730,000	401,500	328,500	$44,668	$48,305	$3,637.11	8.1%
1500	50	75,000	73,125	1,875	$10,568	$11,698	$1,129.91	10.7%
1500	100	150,000	142,500	7,500	$15,103	$16,551	$1,447.91	9.6%
1500	200	300,000	270,000	30,000	$24,030	$26,114	$2,083.91	8.7%
1500	300	450,000	360,000	90,000	$32,482	$35,202	$2,719.91	8.4%
1500	350	525,000	367,500	157,500	$36,232	$39,270	$3,037.91	8.4%
1500	365	547,500	383,250	164,250	$37,528	$40,661	$3,133.31	8.3%
1500	400	600,000	360,000	240,000	$39,791	$43,147	$3,355.91	8.4%
1500	440	660,000	396,000	264,000	$43,172	$46,782	$3,610.31	8.4%
1500	510	765,000	459,000	306,000	$49,088	$53,144	$4,055.51	8.3%
1500	585	877,500	526,500	351,000	$55,427	$59,959	$4,532.51	8.2%
1500	655	982,500	589,500	393,000	$61,343	$66,321	$4,977.71	8.1%
1500	730	1,095,000	602,250	492,750	$66,987	$72,442	$5,454.71	8.1%
3000	50	150,000	146,250	3,750	$21,105	$23,363	$2,257.91	10.7%
3000	100	300,000	285,000	15,000	$30,176	$33,070	$2,893.91	9.6%
3000	200	600,000	540,000	60,000	$48,031	$52,197	$4,165.91	8.7%
3000	300	900,000	720,000	180,000	$64,934	$70,372	$5,437.91	8.4%
3000	350	1,050,000	735,000	315,000	$72,434	$78,508	$6,073.91	8.4%
3000	365	1,095,000	766,500	328,500	$75,026	$81,291	$6,264.71	8.4%
3000	400	1,200,000	720,000	480,000	$79,553	$86,263	$6,709.91	8.4%
3000	440	1,320,000	792,000	528,000	$86,314	$93,533	$7,218.71	8.4%
3000	510	1,530,000	918,000	612,000	$98,146	$106,255	$8,109.11	8.3%
3000	585	1,755,000	1,053,000	702,000	$110,824	$119,887	$9,063.11	8.2%
3000	655	1,965,000	1,179,000	786,000	$122,656	$132,609	$9,953.51	8.1%
3000	730	2,190,000	1,204,500	985,500	$133,944	$144,851	$10,907.51	8.1%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC7-2
CustChg	Monthly	$ 209.11
BillChg	Per Bill	$ 0.89
DmdChg	kW	$ 7.50
DelRate1	kWh	$ 0.00262
DelRate2	kWh	$ 0.00262
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00479)
KwhRate1	kWh	$ 0.05845
KwhRate2	kWh	$ 0.04641
KwhRate3	kWh	$ -
TSAS	kW	$ 0.83
TSAS	kWh	$ 0.00029
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00120
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Proposed		SC7-2
CustChg	Monthly	$ 214.11
BillChg	Per Bill	$ 0.80
DmdChg	kW	$ 8.41
DelRate1	kWh	$ -
DelRate2	kWh	$ -
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00248)
KwhRate1	kWh	$ 0.05845
KwhRate2	kWh	$ 0.04641
KwhRate3	kWh	$ -
TSAS	kW	$ 0.83
TSAS	kWh	$ 0.00029
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00420
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Monthly Bill Impact

							increase / decrease	
Kw	Hours Use	kWh	Peak	Off Peak	Present	Proposed	Amount	Percent
500	50	25,000	24,375	625	$5,909	$6,436	$527.16	8.9%
500	100	50,000	47,500	2,500	$7,428	$8,023	$594.41	8.0%
500	200	100,000	90,000	10,000	$10,422	$11,151	$728.91	7.0%
500	300	150,000	120,000	30,000	$13,264	$14,128	$863.41	6.5%
500	350	175,000	122,500	52,500	$14,535	$15,466	$930.66	6.4%
500	365	182,500	109,500	73,000	$14,751	$15,702	$950.83	6.4%
500	400	200,000	110,000	90,000	$15,625	$16,623	$997.91	6.4%
500	440	220,000	121,000	99,000	$16,750	$17,802	$1,051.71	6.3%
500	510	255,000	140,250	114,750	$18,719	$19,865	$1,145.86	6.1%
500	585	292,500	160,875	131,625	$20,829	$22,075	$1,246.74	6.0%
500	655	327,500	180,125	147,375	$22,798	$24,138	$1,340.89	5.9%
500	730	365,000	200,750	164,250	$24,907	$26,349	$1,441.76	5.8%
1000	50	50,000	48,750	1,250	$11,608	$12,658	$1,049.41	9.0%
1000	100	100,000	95,000	5,000	$14,647	$15,831	$1,183.91	8.1%
1000	200	200,000	180,000	20,000	$20,633	$22,086	$1,452.91	7.0%
1000	300	300,000	240,000	60,000	$26,319	$28,041	$1,721.91	6.5%
1000	350	350,000	245,000	105,000	$28,860	$30,717	$1,856.41	6.4%
1000	365	365,000	219,000	146,000	$29,292	$31,188	$1,896.76	6.5%
1000	400	400,000	240,000	160,000	$31,282	$33,273	$1,990.91	6.4%
1000	440	440,000	242,000	198,000	$33,291	$35,389	$2,098.51	6.3%
1000	510	510,000	280,500	229,500	$37,229	$39,515	$2,286.81	6.1%
1000	585	585,000	321,750	263,250	$41,447	$43,936	$2,488.56	6.0%
1000	655	655,000	360,250	294,750	$45,385	$48,062	$2,676.86	5.9%
1000	730	730,000	401,500	328,500	$49,604	$52,483	$2,878.61	5.8%
1500	50	75,000	73,125	1,875	$17,308	$18,879	$1,571.66	9.1%
1500	100	150,000	142,500	7,500	$21,865	$23,639	$1,773.41	8.1%
1500	200	300,000	270,000	30,000	$30,845	$33,022	$2,176.91	7.1%
1500	300	450,000	360,000	90,000	$39,373	$41,953	$2,580.41	6.6%
1500	350	525,000	367,500	157,500	$43,185	$45,968	$2,782.16	6.4%
1500	365	547,500	383,250	164,250	$44,492	$47,334	$2,842.69	6.4%
1500	400	600,000	360,000	240,000	$46,817	$49,801	$2,983.91	6.4%
1500	440	660,000	396,000	264,000	$50,229	$53,374	$3,145.31	6.3%
1500	510	765,000	459,000	306,000	$56,198	$59,626	$3,427.76	6.1%
1500	585	877,500	526,500	351,000	$62,594	$66,325	$3,730.38	6.0%
1500	655	982,500	589,500	393,000	$68,564	$72,577	$4,012.84	5.9%
1500	730	1,095,000	602,250	492,750	$74,301	$78,616	$4,315.46	5.8%
3000	50	150,000	146,250	3,750	$34,405	$37,544	$3,138.41	9.1%
3000	100	300,000	285,000	15,000	$43,520	$47,062	$3,541.91	8.1%
3000	200	600,000	540,000	60,000	$61,480	$65,829	$4,348.91	7.1%
3000	300	900,000	720,000	180,000	$78,536	$83,692	$5,155.91	6.6%
3000	350	1,050,000	735,000	315,000	$86,161	$91,720	$5,559.41	6.5%
3000	365	1,095,000	766,500	328,500	$88,774	$94,454	$5,680.46	6.4%
3000	400	1,200,000	720,000	480,000	$93,425	$99,388	$5,962.91	6.4%
3000	440	1,320,000	792,000	528,000	$100,247	$106,533	$6,285.71	6.3%
3000	510	1,530,000	918,000	612,000	$112,187	$119,037	$6,850.61	6.1%
3000	585	1,755,000	1,053,000	702,000	$124,979	$132,435	$7,455.86	6.0%
3000	655	1,965,000	1,179,000	786,000	$136,918	$144,939	$8,020.76	5.9%
3000	730	2,190,000	1,204,500	985,500	$148,392	$157,018	$8,626.01	5.8%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present			SC7-2I/HLF
CustChg	Monthly	$	209.11
BillChg	Per Bill	$	0.89
DmdChg	kW	$	2.97
DelRate1	kWh	$	0.00236
DelRate2	kWh	$	0.00236
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00479)
KwhRate1	kWh	$	0.05789
KwhRate2	kWh	$	0.04567
KwhRate3	kWh	$	-
TSAS	kW	$	0.33
TSAS	kWh	$	0.00026
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00120
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Proposed			SC7-2I/HLF
CustChg	Monthly	$	214.11
BillChg	Per Bill	$	0.80
DmdChg	kW	$	4.08
DelRate1	kWh	$	-
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00248)
KwhRate1	kWh	$	0.05789
KwhRate2	kWh	$	0.04567
KwhRate3	kWh	$	-
TSAS	kW	$	0.33
TSAS	kWh	$	0.00026
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00420
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

							Increase / decrease	
Kw	Hours Use	kWh	Peak	Off Peak	Present	Proposed	Amount	Percent
500	50	25,000	24,375	625	$3,373	$4,007	$633.66	18.8%
500	100	50,000	47,500	2,500	$4,870	$5,578	$707.41	14.5%
500	200	100,000	90,000	10,000	$7,820	$8,675	$854.91	10.9%
500	300	150,000	120,000	30,000	$10,616	$11,619	$1,002.41	9.4%
500	350	175,000	122,500	52,500	$11,862	$12,938	$1,076.16	9.1%
500	365	182,500	109,500	73,000	$12,068	$13,166	$1,098.29	9.1%
500	400	200,000	110,000	90,000	$12,924	$14,074	$1,149.91	8.9%
500	440	220,000	121,000	99,000	$14,031	$15,240	$1,208.91	8.6%
500	510	255,000	140,250	114,750	$15,967	$17,279	$1,312.16	8.2%
500	585	292,500	160,875	131,625	$18,041	$19,464	$1,422.79	7.9%
500	655	327,500	180,125	147,375	$19,978	$21,504	$1,526.04	7.6%
500	730	365,000	200,750	164,250	$22,052	$23,689	$1,636.66	7.4%
1000	50	50,000	48,750	1,250	$6,536	$7,798	$1,262.41	19.3%
1000	100	100,000	95,000	5,000	$9,531	$10,941	$1,409.91	14.8%
1000	200	200,000	180,000	20,000	$15,430	$17,135	$1,704.91	11.0%
1000	300	300,000	240,000	60,000	$21,023	$23,023	$1,999.91	9.5%
1000	350	350,000	245,000	105,000	$23,514	$25,661	$2,147.41	9.1%
1000	365	365,000	219,000	146,000	$23,925	$26,117	$2,191.66	9.2%
1000	400	400,000	240,000	160,000	$25,883	$28,178	$2,294.91	8.9%
1000	440	440,000	242,000	198,000	$27,851	$30,264	$2,412.91	8.7%
1000	510	510,000	280,500	229,500	$31,724	$34,343	$2,619.41	8.3%
1000	585	585,000	321,750	263,250	$35,873	$38,713	$2,840.66	7.9%
1000	655	655,000	360,250	294,750	$39,745	$42,792	$3,047.16	7.7%
1000	730	730,000	401,500	328,500	$43,894	$47,163	$3,268.41	7.4%
1500	50	75,000	73,125	1,875	$9,699	$11,590	$1,891.16	19.5%
1500	100	150,000	142,500	7,500	$14,191	$16,304	$2,112.41	14.9%
1500	200	300,000	270,000	30,000	$23,039	$25,594	$2,554.91	11.1%
1500	300	450,000	360,000	90,000	$31,429	$34,427	$2,997.41	9.5%
1500	350	525,000	367,500	157,500	$35,166	$38,385	$3,218.66	9.2%
1500	365	547,500	383,250	164,250	$36,452	$39,737	$3,285.04	9.0%
1500	400	600,000	360,000	240,000	$38,719	$42,159	$3,439.91	8.9%
1500	440	660,000	396,000	264,000	$42,075	$45,692	$3,616.91	8.6%
1500	510	765,000	459,000	306,000	$47,948	$51,875	$3,926.66	8.2%
1500	585	877,500	526,500	351,000	$54,240	$58,499	$4,258.54	7.9%
1500	655	982,500	589,500	393,000	$60,113	$64,681	$4,568.29	7.6%
1500	730	1,095,000	602,250	492,750	$65,736	$70,637	$4,900.16	7.5%
3000	50	150,000	146,250	3,750	$19,187	$22,965	$3,777.41	19.7%
3000	100	300,000	285,000	15,000	$28,173	$32,393	$4,219.91	15.0%
3000	200	600,000	540,000	60,000	$45,869	$50,974	$5,104.91	11.1%
3000	300	900,000	720,000	180,000	$62,648	$68,638	$5,989.91	9.6%
3000	350	1,050,000	735,000	315,000	$70,122	$76,554	$6,432.41	9.2%
3000	365	1,095,000	766,500	328,500	$72,694	$79,259	$6,565.16	9.0%
3000	400	1,200,000	720,000	480,000	$77,228	$84,103	$6,874.91	8.9%
3000	440	1,320,000	792,000	528,000	$83,940	$91,169	$7,228.91	8.6%
3000	510	1,530,000	918,000	612,000	$95,686	$103,534	$7,848.41	8.2%
3000	585	1,755,000	1,053,000	702,000	$108,271	$116,783	$8,512.16	7.9%
3000	655	1,965,000	1,179,000	786,000	$120,016	$129,148	$9,131.66	7.6%
3000	730	2,190,000	1,204,500	985,500	$131,263	$141,058	$9,795.41	7.5%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC7-3
CustChg	Monthly	$ 319.11
BillChg	Per Bill	$ 0.89
DmdChg	kW	$ 4.06
DelRate1	kWh	$ 0.00261
DelRate2	kWh	$ 0.00261
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00479)
KwhRate1	kWh	$ 0.05627
KwhRate2	kWh	$ 0.04434
KwhRate3	kWh	$ -
TSAS	kW	$ 0.79
TSAS	kWh	$ 0.00051
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00120
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Proposed		SC7-3
CustChg	Monthly	$ 331.87
BillChg	Per Bill	$ 0.80
DmdChg	kW	$ 5.03
DelRate1	kWh	$ -
DelRate2	kWh	$ -
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00248)
KwhRate1	kWh	$ 0.05627
KwhRate2	kWh	$ 0.04434
KwhRate3	kWh	$ -
TSAS	kW	$ 0.79
TSAS	kWh	$ 0.00051
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00420
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

							increase / decrease	
Kw	Hours Use	kWh	Peak	Off Peak	Present	Proposed	Amount	Percent
500	50	25,000	24,375	625	$4,230	$4,795	$565.17	13.4%
500	100	50,000	47,500	2,500	$5,700	$6,333	$632.67	11.1%
500	200	100,000	90,000	10,000	$8,596	$9,363	$767.67	8.9%
500	300	150,000	120,000	30,000	$11,342	$12,245	$902.67	8.0%
500	350	175,000	122,500	52,500	$12,566	$13,536	$970.17	7.7%
500	365	182,500	109,500	73,000	$12,769	$13,760	$990.42	7.8%
500	400	200,000	110,000	90,000	$13,611	$14,649	$1,037.67	7.6%
500	440	220,000	121,000	99,000	$14,698	$15,790	$1,091.67	7.4%
500	510	255,000	140,250	114,750	$16,600	$17,786	$1,186.17	7.1%
500	585	292,500	160,875	131,625	$18,637	$19,924	$1,287.42	6.9%
500	655	327,500	180,125	147,375	$20,539	$21,920	$1,381.92	6.7%
500	730	365,000	200,750	164,250	$22,576	$24,059	$1,483.17	6.6%
1000	50	50,000	48,750	1,250	$8,140	$9,258	$1,117.67	13.7%
1000	100	100,000	95,000	5,000	$11,080	$12,333	$1,252.67	11.3%
1000	200	200,000	180,000	20,000	$16,871	$18,394	$1,522.67	9.0%
1000	300	300,000	240,000	60,000	$22,364	$24,157	$1,792.67	8.0%
1000	350	350,000	245,000	105,000	$24,812	$26,740	$1,927.67	7.8%
1000	365	365,000	219,000	146,000	$25,219	$27,187	$1,968.17	7.8%
1000	400	400,000	240,000	160,000	$27,141	$29,204	$2,062.67	7.6%
1000	440	440,000	242,000	198,000	$29,076	$31,247	$2,170.67	7.5%
1000	510	510,000	280,500	229,500	$32,879	$35,239	$2,359.67	7.2%
1000	585	585,000	321,750	263,250	$36,954	$39,516	$2,562.17	6.9%
1000	655	655,000	360,250	294,750	$40,757	$43,508	$2,751.17	6.8%
1000	730	730,000	401,500	328,500	$44,832	$47,786	$2,953.67	6.6%
1500	50	75,000	73,125	1,875	$12,050	$13,720	$1,670.17	13.9%
1500	100	150,000	142,500	7,500	$16,461	$18,333	$1,872.67	11.4%
1500	200	300,000	270,000	30,000	$25,147	$27,425	$2,277.67	9.1%
1500	300	450,000	360,000	90,000	$33,386	$36,069	$2,682.67	8.0%
1500	350	525,000	367,500	157,500	$37,059	$39,944	$2,885.17	7.8%
1500	365	547,500	383,250	164,250	$38,321	$41,267	$2,945.92	7.7%
1500	400	600,000	360,000	240,000	$40,552	$43,639	$3,087.67	7.6%
1500	440	660,000	396,000	264,000	$43,847	$47,097	$3,249.67	7.4%
1500	510	765,000	459,000	306,000	$49,615	$53,148	$3,533.17	7.1%
1500	585	877,500	526,500	351,000	$55,794	$59,631	$3,836.92	6.9%
1500	655	982,500	589,500	393,000	$61,562	$65,682	$4,120.42	6.7%
1500	730	1,095,000	602,250	492,750	$67,088	$71,512	$4,424.17	6.6%
3000	50	150,000	146,250	3,750	$23,780	$27,108	$3,327.67	14.0%
3000	100	300,000	285,000	15,000	$32,601	$36,334	$3,732.67	11.4%
3000	200	600,000	540,000	60,000	$49,974	$54,517	$4,542.67	9.1%
3000	300	900,000	720,000	180,000	$66,453	$71,805	$5,352.67	8.1%
3000	350	1,050,000	735,000	315,000	$73,797	$79,555	$5,757.67	7.8%
3000	365	1,095,000	766,500	328,500	$76,322	$82,202	$5,879.17	7.7%
3000	400	1,200,000	720,000	480,000	$80,784	$86,946	$6,162.67	7.6%
3000	440	1,320,000	792,000	528,000	$87,375	$93,862	$6,486.67	7.4%
3000	510	1,530,000	918,000	612,000	$98,910	$105,964	$7,053.67	7.1%
3000	585	1,755,000	1,053,000	702,000	$111,269	$118,930	$7,661.17	6.9%
3000	655	1,965,000	1,179,000	786,000	$122,804	$131,032	$8,228.17	6.7%
3000	730	2,190,000	1,204,500	985,500	$133,856	$142,692	$8,835.67	6.6%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC7-3I/HLF		
CustChg	Monthly	$	319.11
BillChg	Per Bill	$	0.89
DmdChg	kW	$	0.25
DelRate1	kWh	$	0.00192
DelRate2	kWh	$	0.00192
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00479)
KwhRate1	kWh	$	0.05627
KwhRate2	kWh	$	0.04428
KwhRate3	kWh	$	-
TSAS	kW	$	0.05
TSAS	kWh	$	0.00038
SBC & EEPS	kWh	$	0.00300
RPS	kWh	$	0.00090
MFC	kWh	$	0.00120
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

Proposed	SC7-3I/HLF		
CustChg	Monthly	$	331.87
BillChg	Per Bill	$	0.80
DmdChg	kW	$	1.13
DelRate1	kWh	$	-
DelRate2	kWh	$	-
DelRate3	kWh	$	-
TCrate	kWh	$	(0.00248)
KwhRate1	kWh	$	0.05627
KwhRate2	kWh	$	0.04428
KwhRate3	kWh	$	-
TSAS	kW	$	0.05
TSAS	kWh	$	0.00038
SBC	kWh	$	0.00300
SBC & EEPS	kWh	$	0.00090
MFC	kWh	$	0.00420
GRTcom	kWh		1.000000
GRTDel	kWh		1.000000
Reactive	rkVah	$	0.00095

							increase / decrease	
Kw	Hours Use	kWh	Peak	Off Peak	Present	Proposed	Amount	Percent
500	50	25,000	24,375	625	$1,935	$2,472	$537.42	27.8%
500	100	50,000	47,500	2,500	$3,384	$4,006	$622.17	18.4%
500	200	100,000	90,000	10,000	$6,238	$7,030	$791.67	12.7%
500	300	150,000	120,000	30,000	$8,942	$9,903	$961.17	10.7%
500	350	175,000	122,500	52,500	$10,145	$11,190	$1,045.92	10.3%
500	365	182,500	109,500	73,000	$10,340	$11,412	$1,071.35	10.4%
500	400	200,000	110,000	90,000	$11,167	$12,298	$1,130.67	10.1%
500	440	220,000	121,000	99,000	$12,237	$13,435	$1,198.47	9.8%
500	510	255,000	140,250	114,750	$14,109	$15,426	$1,317.12	9.3%
500	585	292,500	160,875	131,625	$16,114	$17,558	$1,444.25	9.0%
500	655	327,500	180,125	147,375	$17,986	$19,549	$1,562.90	8.7%
500	730	365,000	200,750	164,250	$19,992	$21,682	$1,690.02	8.5%
1000	50	50,000	48,750	1,250	$3,549	$4,611	$1,062.17	29.9%
1000	100	100,000	95,000	5,000	$6,448	$7,680	$1,231.67	19.1%
1000	200	200,000	180,000	20,000	$12,156	$13,727	$1,570.67	12.9%
1000	300	300,000	240,000	60,000	$17,565	$19,474	$1,909.67	10.9%
1000	350	350,000	245,000	105,000	$19,969	$22,048	$2,079.17	10.4%
1000	365	365,000	219,000	146,000	$20,361	$22,491	$2,130.02	10.5%
1000	400	400,000	240,000	160,000	$22,254	$24,502	$2,248.67	10.1%
1000	440	440,000	242,000	198,000	$24,153	$26,537	$2,384.27	9.9%
1000	510	510,000	280,500	229,500	$27,897	$30,519	$2,621.57	9.4%
1000	585	585,000	321,750	263,250	$31,908	$34,784	$2,875.82	9.0%
1000	655	655,000	360,250	294,750	$35,652	$38,765	$3,113.12	8.7%
1000	730	730,000	401,500	328,500	$39,664	$43,031	$3,367.37	8.5%
1500	50	75,000	73,125	1,875	$5,164	$6,750	$1,586.92	30.7%
1500	100	150,000	142,500	7,500	$9,512	$11,353	$1,841.17	19.4%
1500	200	300,000	270,000	30,000	$18,074	$20,424	$2,349.67	13.0%
1500	300	450,000	360,000	90,000	$26,187	$29,045	$2,858.17	10.9%
1500	350	525,000	367,500	157,500	$29,794	$32,906	$3,112.42	10.4%
1500	365	547,500	383,250	164,250	$31,037	$34,226	$3,188.70	10.3%
1500	400	600,000	360,000	240,000	$33,220	$36,587	$3,366.67	10.1%
1500	440	660,000	396,000	264,000	$36,465	$40,036	$3,570.07	9.8%
1500	510	765,000	459,000	306,000	$42,144	$46,070	$3,926.02	9.3%
1500	585	877,500	526,500	351,000	$48,229	$52,536	$4,307.40	8.9%
1500	655	982,500	589,500	393,000	$53,908	$58,571	$4,663.35	8.7%
1500	730	1,095,000	602,250	492,750	$59,336	$64,380	$5,044.72	8.5%
3000	50	150,000	146,250	3,750	$10,007	$13,168	$3,161.17	31.6%
3000	100	300,000	285,000	15,000	$18,704	$22,374	$3,669.67	19.6%
3000	200	600,000	540,000	60,000	$35,829	$40,515	$4,686.67	13.1%
3000	300	900,000	720,000	180,000	$52,054	$57,757	$5,703.67	11.0%
3000	350	1,050,000	735,000	315,000	$59,267	$65,479	$6,212.17	10.5%
3000	365	1,095,000	766,500	328,500	$61,755	$68,120	$6,364.72	10.3%
3000	400	1,200,000	720,000	480,000	$66,121	$72,841	$6,720.67	10.2%
3000	440	1,320,000	792,000	528,000	$72,611	$79,738	$7,127.47	9.8%
3000	510	1,530,000	918,000	612,000	$83,969	$91,808	$7,839.37	9.3%
3000	585	1,755,000	1,053,000	702,000	$96,137	$104,740	$8,602.12	8.9%
3000	655	1,965,000	1,179,000	786,000	$107,495	$116,809	$9,314.02	8.7%
3000	730	2,190,000	1,204,500	985,500	$118,351	$128,428	$10,076.77	8.5%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC7-4
CustChg	Monthly	$ 849.11
BillChg	Per Bill	$ 0.89
DmdChg	kW	$ 1.73
DelRate1	kWh	$ 0.00212
DelRate2	kWh	$ 0.00212
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00479)
KwhRate1	kWh	$ 0.05381
KwhRate2	kWh	$ 0.04206
KwhRate3	kWh	$ -
TSAS	kW	$ 0.67
TSAS	kWh	$ 0.00082
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00120
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Proposed		SC7-4
CustChg	Monthly	$ 883.07
BillChg	Per Bill	$ 0.80
DmdChg	kW	$ 2.46
DelRate1	kWh	$ -
DelRate2	kWh	$ -
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00248)
KwhRate1	kWh	$ 0.05381
KwhRate2	kWh	$ 0.04206
KwhRate3	kWh	$ -
TSAS	kW	$ 0.67
TSAS	kWh	$ 0.00082
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00420
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

							increase / decrease	
Kw	Hours Use	kWh	Peak	Off Peak	Present	Proposed	Amount	Percent
500	50	25,000	24,375	625	$3,469	$3,948	$478.62	13.8%
500	100	50,000	47,500	2,500	$4,874	$5,432	$558.37	11.5%
500	200	100,000	90,000	10,000	$7,639	$8,356	$717.87	9.4%
500	300	150,000	120,000	30,000	$10,257	$11,134	$877.37	8.6%
500	350	175,000	122,500	52,500	$11,419	$12,376	$957.12	8.4%
500	365	182,500	109,500	73,000	$11,606	$12,587	$981.05	8.5%
500	400	200,000	110,000	90,000	$12,405	$13,441	$1,036.87	8.4%
500	440	220,000	121,000	99,000	$13,440	$14,541	$1,100.67	8.2%
500	510	255,000	140,250	114,750	$15,252	$16,464	$1,212.32	7.9%
500	585	292,500	160,875	131,625	$17,193	$18,525	$1,331.95	7.7%
500	655	327,500	180,125	147,375	$19,005	$20,449	$1,443.60	7.6%
500	730	365,000	200,750	164,250	$20,947	$22,510	$1,563.22	7.5%
1000	50	50,000	48,750	1,250	$6,088	$7,012	$923.37	15.2%
1000	100	100,000	95,000	5,000	$8,897	$9,980	$1,082.87	12.2%
1000	200	200,000	180,000	20,000	$14,427	$15,829	$1,401.87	9.7%
1000	300	300,000	240,000	60,000	$19,663	$21,384	$1,720.87	8.8%
1000	350	350,000	245,000	105,000	$21,987	$23,868	$1,880.37	8.6%
1000	365	365,000	219,000	146,000	$22,361	$24,290	$1,928.22	8.6%
1000	400	400,000	240,000	160,000	$24,194	$26,234	$2,039.87	8.4%
1000	440	440,000	242,000	198,000	$26,030	$28,197	$2,167.47	8.3%
1000	510	510,000	280,500	229,500	$29,654	$32,045	$2,390.77	8.1%
1000	585	585,000	321,750	263,250	$33,537	$36,167	$2,630.02	7.8%
1000	655	655,000	360,250	294,750	$37,161	$40,014	$2,853.32	7.7%
1000	730	730,000	401,500	328,500	$41,044	$44,136	$3,092.57	7.5%
1500	50	75,000	73,125	1,875	$8,707	$10,076	$1,368.12	15.7%
1500	100	150,000	142,500	7,500	$12,921	$14,528	$1,607.37	12.4%
1500	200	300,000	270,000	30,000	$21,216	$23,301	$2,085.87	9.8%
1500	300	450,000	360,000	90,000	$29,070	$31,634	$2,564.37	8.8%
1500	350	525,000	367,500	157,500	$32,556	$35,359	$2,803.62	8.6%
1500	365	547,500	383,250	164,250	$33,760	$36,636	$2,875.40	8.5%
1500	400	600,000	360,000	240,000	$35,866	$38,909	$3,042.87	8.5%
1500	440	660,000	396,000	264,000	$39,008	$42,242	$3,234.27	8.3%
1500	510	765,000	459,000	306,000	$44,505	$48,075	$3,569.22	8.0%
1500	585	877,500	526,500	351,000	$50,396	$54,324	$3,928.10	7.8%
1500	655	982,500	589,500	393,000	$55,894	$60,157	$4,263.05	7.6%
1500	730	1,095,000	602,250	492,750	$61,141	$65,763	$4,621.92	7.6%
3000	50	150,000	146,250	3,750	$16,565	$19,267	$2,702.37	16.3%
3000	100	300,000	285,000	15,000	$24,992	$28,173	$3,180.87	12.7%
3000	200	600,000	540,000	60,000	$41,581	$45,719	$4,137.87	10.0%
3000	300	900,000	720,000	180,000	$57,289	$62,384	$5,094.87	8.9%
3000	350	1,050,000	735,000	315,000	$64,262	$69,835	$5,573.37	8.7%
3000	365	1,095,000	766,500	328,500	$66,671	$72,388	$5,716.92	8.6%
3000	400	1,200,000	720,000	480,000	$70,882	$76,934	$6,051.87	8.5%
3000	440	1,320,000	792,000	528,000	$77,165	$83,600	$6,434.67	8.3%
3000	510	1,530,000	918,000	612,000	$88,161	$95,265	$7,104.57	8.1%
3000	585	1,755,000	1,053,000	702,000	$99,942	$107,764	$7,822.32	7.8%
3000	655	1,965,000	1,179,000	786,000	$110,937	$119,430	$8,492.22	7.7%
3000	730	2,190,000	1,204,500	985,500	$121,432	$130,642	$9,209.97	7.6%

New York State Electric & Gas Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present		SC7-4I/HLF
CustChg	Monthly	$ 849.11
BillChg	Per Bill	$ 0.89
DmdChg	kW	$ -
DelRate1	kWh	$ 0.00157
DelRate2	kWh	$ 0.00157
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00479)
KwhRate1	kWh	$ 0.05585
KwhRate2	kWh	$ 0.04401
KwhRate3	kWh	$ -
TSAS	kW	$ -
TSAS	kWh	$ 0.00060
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00120
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Proposed		SC7-4I/HLF
CustChg	Monthly	$ 883.07
BillChg	Per Bill	$ 0.80
DmdChg	kW	$ 0.52
DelRate1	kWh	$ -
DelRate2	kWh	$ -
DelRate3	kWh	$ -
TCrate	kWh	$ (0.00248)
KwhRate1	kWh	$ 0.05585
KwhRate2	kWh	$ 0.04401
KwhRate3	kWh	$ -
TSAS	kW	$ -
TSAS	kWh	$ 0.00060
SBC & EEPS	kWh	$ 0.00300
RPS	kWh	$ 0.00090
MFC	kWh	$ 0.00420
GRTcom	kWh	1.000000
GRTDel	kWh	1.000000
Reactive	rkVah	$ 0.00095

Kw	Hours Use	kWh	Peak	Off Peak	Present	Proposed	Increase / decrease Amount	Percent
500	50	25,000	24,375	625	$2,301	$2,688	$387.37	16.8%
500	100	50,000	47,500	2,500	$3,737	$4,218	$480.87	12.9%
500	200	100,000	90,000	10,000	$6,565	$7,232	$667.87	10.2%
500	300	150,000	120,000	30,000	$9,244	$10,099	$854.87	9.2%
500	350	175,000	122,500	52,500	$10,436	$11,385	$948.37	9.1%
500	365	182,500	109,500	73,000	$10,631	$11,607	$976.42	9.2%
500	400	200,000	110,000	90,000	$11,450	$12,492	$1,041.87	9.1%
500	440	220,000	121,000	99,000	$12,510	$13,627	$1,116.67	8.9%
500	510	255,000	140,250	114,750	$14,366	$15,613	$1,247.57	8.7%
500	585	292,500	160,875	131,625	$16,353	$17,741	$1,387.82	8.5%
500	655	327,500	180,125	147,375	$18,208	$19,727	$1,518.72	8.3%
500	730	365,000	200,750	164,250	$20,196	$21,855	$1,658.97	8.2%
1000	50	50,000	48,750	1,250	$3,752	$4,493	$740.87	19.7%
1000	100	100,000	95,000	5,000	$6,624	$7,552	$927.87	14.0%
1000	200	200,000	180,000	20,000	$12,279	$13,581	$1,301.87	10.6%
1000	300	300,000	240,000	60,000	$17,639	$19,314	$1,675.87	9.5%
1000	350	350,000	245,000	105,000	$20,022	$21,885	$1,862.87	9.3%
1000	365	365,000	219,000	146,000	$20,412	$22,331	$1,918.97	9.4%
1000	400	400,000	240,000	160,000	$22,288	$24,337	$2,049.87	9.2%
1000	440	440,000	242,000	198,000	$24,171	$26,370	$2,199.47	9.1%
1000	510	510,000	280,500	229,500	$27,881	$30,342	$2,461.27	8.8%
1000	585	585,000	321,750	263,250	$31,856	$34,598	$2,741.77	8.6%
1000	655	655,000	360,250	294,750	$35,566	$38,570	$3,003.57	8.4%
1000	730	730,000	401,500	328,500	$39,541	$42,826	$3,284.07	8.3%
1500	50	75,000	73,125	1,875	$5,203	$6,297	$1,094.37	21.0%
1500	100	150,000	142,500	7,500	$9,511	$10,886	$1,374.87	14.5%
1500	200	300,000	270,000	30,000	$17,994	$19,930	$1,935.87	10.8%
1500	300	450,000	360,000	90,000	$26,033	$28,530	$2,496.87	9.6%
1500	350	525,000	367,500	157,500	$29,608	$32,386	$2,777.37	9.4%
1500	365	547,500	383,250	164,250	$30,841	$33,702	$2,861.52	9.3%
1500	400	600,000	360,000	240,000	$33,006	$36,064	$3,057.87	9.3%
1500	440	660,000	396,000	264,000	$36,222	$39,504	$3,282.27	9.1%
1500	510	765,000	459,000	306,000	$41,849	$45,524	$3,674.97	8.8%
1500	585	877,500	526,500	351,000	$47,879	$51,974	$4,095.72	8.6%
1500	655	982,500	589,500	393,000	$53,506	$57,995	$4,488.42	8.4%
1500	730	1,095,000	602,250	492,750	$58,887	$63,796	$4,909.17	8.3%
3000	50	150,000	146,250	3,750	$9,555	$11,710	$2,154.87	22.6%
3000	100	300,000	285,000	15,000	$18,171	$20,887	$2,715.87	14.9%
3000	200	600,000	540,000	60,000	$35,138	$38,975	$3,837.87	10.9%
3000	300	900,000	720,000	180,000	$51,216	$56,176	$4,959.87	9.7%
3000	350	1,050,000	735,000	315,000	$58,367	$63,888	$5,520.87	9.5%
3000	365	1,095,000	766,500	328,500	$60,832	$66,521	$5,689.17	9.4%
3000	400	1,200,000	720,000	480,000	$65,163	$71,245	$6,081.87	9.3%
3000	440	1,320,000	792,000	528,000	$71,594	$78,125	$6,530.67	9.1%
3000	510	1,530,000	918,000	612,000	$82,849	$90,165	$7,316.07	8.8%
3000	585	1,755,000	1,053,000	702,000	$94,907	$103,065	$8,157.57	8.6%
3000	655	1,965,000	1,179,000	786,000	$106,162	$115,105	$8,942.97	8.4%
3000	730	2,190,000	1,204,500	985,500	$116,924	$126,709	$9,784.47	8.4%

Exhibit 167

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC01
CustChg	19.38
BillChg	0.62
DmdChg	0
DelNBC	0.01127
DelRate1	0.02270
DelRate2	-
MFC	-
ComNBC	-0.00909
KwhRate1	0.05544
KwhRate2	-
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	-
TSAS (P-kWh)	0.002310
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.020408

September 1, 2010	SC01
CustChg	20.38
BillChg	1.08
DmdChg	0
DelNBC	0
DelRate1	0.03027
DelRate2	-
MFC	0.00710
ComNBC	-0.00909
KwhRate1	0.05544
KwhRate2	-
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	-
TSAS (P-kWh)	0.002310
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.020408

PSC No. 19 S.C. 1 Residential

			increase/decrease	
kWh	Present	Sep 01, 2010	Amount	Percent
300	$ 47.01	$ 48.15	$1.14	2.4%
400	$ 55.88	$ 56.90	$1.02	1.8%
500	$ 64.74	$ 65.65	$0.90	1.4%
600	$ 73.61	$ 74.40	$0.79	1.1%
700	$ 82.48	$ 83.15	$0.67	0.8%
800	$ 91.35	$ 91.90	$0.55	0.6%
900	$ 100.21	$ 100.65	$0.43	0.4%
1000	$ 109.08	$ 109.40	$0.32	0.3%
1100	$ 117.95	$ 118.15	$0.20	0.2%
1200	$ 126.82	$ 126.90	$0.08	0.1%
1500	$ 153.42	$ 153.15	($0.27)	-0.2%
2000	$ 197.75	$ 196.90	($0.86)	-0.4%

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Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC04-I
CustChg	23.36
BillChg	0.62
DmdChg	0
DelNBC	0.01127
DelRate1	0.02783
DelRate2	0.02252
MFC	-
ComNBC	-0.00909
KwhRate1	0.06976
KwhRate2	0.04336
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	-
TSAS (P-kWh)	0.002090
TSAS (O-kWh)	0.001690
GRTcom	1.000000
GRTDel	1.020408

September 1, 2010	SC04-I
CustChg	24.36
BillChg	1.08
DmdChg	0
DelNBC	0
DelRate1	0.03285
DelRate2	0.03285
MFC	0.00710
ComNBC	-0.00909
KwhRate1	0.06976
KwhRate2	0.04336
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	-
TSAS (P-kWh)	0.002090
TSAS (O-kWh)	0.001690
GRTcom	1.000000
GRTDel	1.020408

PSC No. 19 S.C. 4 Residential TOU Schedule 1

						increase/decrease	
% Peak	kWh	Peak	Off Peak	Present	Sep 01, 2010	Amount	Percent
42%	300	126	174	$51.26	$52.56	$1.30	2.5%
42%	400	168	232	$60.19	$61.43	$1.24	2.1%
42%	500	210	290	$69.13	$70.30	$1.17	1.7%
42%	600	252	348	$78.06	$79.17	$1.11	1.4%
42%	700	294	406	$86.99	$88.03	$1.05	1.2%
42%	800	336	464	$95.92	$96.90	$0.98	1.0%
42%	900	378	522	$104.85	$105.77	$0.92	0.9%
42%	1000	420	580	$113.78	$114.64	$0.86	0.8%
42%	1100	462	638	$122.71	$123.51	$0.79	0.6%
42%	1200	504	696	$131.64	$132.37	$0.73	0.6%
42%	1500	630	870	$158.44	$158.98	$0.54	0.3%
42%	2000	840	1160	$203.09	$203.32	$0.22	0.1%
42%	2500	1050	1450	$247.75	$247.66	($0.09)	0.0%
42%	3000	1260	1740	$292.40	$291.99	($0.41)	-0.1%
42%	3500	1470	2030	$337.06	$336.33	($0.73)	-0.2%
42%	4000	1680	2320	$381.71	$380.67	($1.04)	-0.3%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC04-II
CustChg	26.84
BillChg	0.62
DmdChg	0
DelNBC	0.01127
DelRate1	0.04249
DelRate2	0.02723
MFC	-
ComNBC	-0.00909
KwhRate1	0.06976
KwhRate2	0.04336
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	-
TSAS (P-kWh)	0.002470
TSAS (O-kWh)	0.001580
GRTcom	1.000000
GRTDel	1.020408

September 1, 2010	SC04-II
CustChg	27.84
BillChg	1.08
DmdChg	0
DelNBC	0
DelRate1	0.04240
DelRate2	0.04240
MFC	0.00710
ComNBC	-0.00909
KwhRate1	0.06976
KwhRate2	0.04336
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	-
TSAS (P-kWh)	0.002470
TSAS (O-kWh)	0.001580
GRTcom	1.000000
GRTDel	1.020408

PSC No. 19 S.C. 4 Residential TOU Schedule 2

						increase/decrease	
% Peak	kWh	Peak	Off Peak	Present	Sep 01, 2010	Amount	Percent
44%	300	132	168	$57.82	$59.23	$1.41	2.4%
44%	400	176	224	$67.76	$69.14	$1.38	2.0%
44%	500	220	280	$77.69	$79.04	$1.35	1.7%
44%	600	264	336	$87.62	$88.95	$1.33	1.5%
44%	700	308	392	$97.56	$98.86	$1.30	1.3%
44%	800	352	448	$107.49	$108.76	$1.27	1.2%
44%	900	396	504	$117.42	$118.67	$1.25	1.1%
44%	1000	440	560	$127.36	$128.58	$1.22	1.0%
44%	1100	484	616	$137.29	$138.48	$1.19	0.9%
44%	1200	528	672	$147.22	$148.39	$1.17	0.8%
44%	1500	660	840	$177.03	$178.11	$1.09	0.6%
44%	2000	880	1120	$226.69	$227.64	$0.95	0.4%
44%	2500	1100	1400	$276.36	$277.18	$0.82	0.3%
44%	3000	1320	1680	$326.03	$326.71	$0.68	0.2%
44%	3500	1540	1960	$375.70	$376.25	$0.55	0.1%
44%	4000	1760	2240	$425.37	$425.78	$0.41	0.1%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC02
CustChg	19.38
BillChg	0.62
DmdChg	0
DelNBC	0.01127
DelRate1	0.01452
DelRate2	-
MFC	-
ComNBC	-0.00043
KwhRate1	0.05605
KwhRate2	-
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	-
TSAS (P-kWh)	0.002300
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	SC02
CustChg	20.38
BillChg	1.08
DmdChg	0
DelNBC	0
DelRate1	0.02309
DelRate2	-
MFC	0.00710
ComNBC	-0.00043
KwhRate1	0.05605
KwhRate2	-
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	-
TSAS (P-kWh)	0.002300
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 2 General service - Small Use

					increase/decrease	
Kw	Hours Use	kWh	Present	Sep 01, 2010	Amount	Percent
5	50	250	$42.23	$43.68	$1.46	3.5%
5	100	500	$64.45	$65.91	$1.46	2.3%
5	200	1000	$108.91	$110.36	$1.45	1.3%
5	300	1500	$153.36	$154.81	$1.45	0.9%
5	350	1750	$175.59	$177.03	$1.45	0.8%
5	400	2000	$197.81	$199.26	$1.44	0.7%
5	500	2500	$242.27	$243.71	$1.44	0.6%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC07
CustChg	49.38
BillChg	0.62
DmdChg	13.38
DelNBC	0.01127
DelRate1	0.00102
DelRate2	0.00074
MFC	-
ComNBC	-0.00043
KwhRate1	0.05638
KwhRate2	-
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.810000
TSAS (P-kWh)	0.000060
TSAS (O-kWh)	0.000050
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	SC07
CustChg	54.38
BillChg	1.08
DmdChg	13.38
DelNBC	0
DelRate1	0.00756
DelRate2	0.00756
MFC	0.00710
ComNBC	-0.00043
KwhRate1	0.05638
KwhRate2	-
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	0.810000
TSAS (P-kWh)	0.000060
TSAS (O-kWh)	0.000050
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 7 General service - 12 kW Minimum

Kw	Hours Use	kWh	Present	Sep 01, 2010	increase/decrease Amount	Percent
25	50	1250	$354.72	$357.63	$2.91	0.8%
25	100	2500	$482.07	$482.43	$0.36	0.1%
25	200	5000	$736.76	$732.03	($4.73)	-0.6%
25	300	7500	$955.25	$946.12	($9.12)	-1.0%
25	350	8750	$1,046.75	$1,035.43	($11.32)	-1.1%
25	400	10000	$1,138.26	$1,124.74	($13.52)	-1.2%
25	500	12500	$1,321.28	$1,303.36	($17.92)	-1.4%
50	50	2500	$659.44	$659.81	$0.37	0.1%
50	100	5000	$914.13	$909.40	($4.73)	-0.5%
50	200	10000	$1,423.51	$1,408.59	($14.92)	-1.0%
50	300	15000	$1,860.49	$1,836.78	($23.71)	-1.3%
50	350	17500	$2,043.51	$2,015.40	($28.11)	-1.4%
50	400	20000	$2,226.52	$2,194.02	($32.50)	-1.5%
50	500	25000	$2,592.55	$2,551.26	($41.29)	-1.6%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC03
CustChg	159.38
BillChg	0.62
DmdChg	10.59
DelNBC	4.25
DelRate1	-
DelRate2	-
MFC	-
ComNBC	-0.00043
KwhRate1	0.05572
KwhRate2	-
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.790000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	SC03
CustChg	175.38
BillChg	1.08
DmdChg	13.63
DelNBC	0
DelRate1	-
DelRate2	-
MFC	0.00710
ComNBC	-0.00043
KwhRate1	0.05572
KwhRate2	-
RAS	-
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.790000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 3 General service - 100 kW Minimum

					increase/decrease	
Kw	Hours Use	kWh	Present	Sep 01, 2010	Amount	Percent
100	50	5000	$1,400.23	$1,368.74	($31.49)	-2.2%
100	100	10000	$1,858.96	$1,840.02	($18.94)	-1.0%
100	200	20000	$2,776.42	$2,782.58	$6.16	0.2%
100	300	30000	$3,537.58	$3,580.94	$43.36	1.2%
100	350	35000	$3,840.01	$3,908.02	$68.01	1.8%
100	400	40000	$4,142.44	$4,235.10	$92.66	2.2%
100	500	50000	$4,747.30	$4,889.26	$141.96	3.0%
250	50	12500	$3,260.58	$3,157.16	($103.42)	-3.2%
250	100	25000	$4,407.40	$4,335.36	($72.04)	-1.6%
250	200	50000	$6,701.05	$6,691.76	($9.29)	-0.1%
250	300	75000	$8,603.95	$8,687.66	$83.71	1.0%
250	350	87500	$9,360.03	$9,505.36	$145.34	1.6%
250	400	100000	$10,116.10	$10,323.06	$206.96	2.0%
250	500	125000	$11,628.25	$11,958.46	$330.21	2.8%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC08Pri
CustChg	449.38
BillChg	0.62
DmdChg	7.3
DelNBC	5.07
DelRate1	-
DelRate2	-
MFC	-
ComNBC	-0.00043
KwhRate1	0.06577
KwhRate2	0.04139
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.770000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	Pri
CustChg	470.38
BillChg	1.08
DmdChg	11.75
DelNBC	0
DelRate1	-
DelRate2	-
MFC	0.00680
ComNBC	-0.00043
KwhRate1	0.06577
KwhRate2	0.04139
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	0.770000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 8 Large General service - TOU Primary

							increase/decrease	
Kw	Hours Use	kWh	Peak	Off Peak	Present	Sep 01, 2010	Amount	Percent
500	50	25,000	24,375	625	$8,768	$8,539	($229)	-2.6%
500	100	50,000	47,500	2,500	$10,486	$10,317	($169)	-1.6%
500	200	100,000	90,000	10,000	$13,830	$13,780	($49)	-0.4%
500	300	150,000	120,000	30,000	$16,869	$16,939	$70	0.4%
500	350	175,000	122,500	52,500	$18,084	$18,214	$130	0.7%
500	400	200,000	120,000	80,000	$19,177	$19,367	$190	1.0%
500	500	250,000	137,500	112,500	$21,911	$22,221	$309	1.4%
1000	50	50,000	48,750	1,250	$17,086	$16,607	($479)	-2.8%
1000	100	100,000	95,000	5,000	$20,522	$20,162	($359)	-1.8%
1000	200	200,000	180,000	20,000	$27,210	$27,089	($120)	-0.4%
1000	300	300,000	240,000	60,000	$33,288	$33,407	$119	0.4%
1000	350	350,000	245,000	105,000	$35,718	$35,956	$239	0.7%
1000	400	400,000	240,000	160,000	$37,904	$38,262	$358	0.9%
1000	500	500,000	275,000	225,000	$43,373	$43,970	$597	1.4%
1500	50	75,000	73,125	1,875	$25,404	$24,675	($729)	-2.9%
1500	100	150,000	142,500	7,500	$30,558	$30,008	($550)	-1.8%
1500	200	300,000	270,000	30,000	$40,589	$40,398	($191)	-0.5%
1500	300	450,000	360,000	90,000	$49,707	$49,875	$168	0.3%
1500	350	525,000	367,500	157,500	$53,352	$53,699	$347	0.7%
1500	400	600,000	360,000	240,000	$56,630	$57,157	$527	0.9%
1500	500	750,000	412,500	337,500	$64,834	$65,719	$885	1.4%
3000	50	150,000	146,250	3,750	$50,359	$48,879	($1,480)	-2.9%
3000	100	300,000	285,000	15,000	$60,665	$59,544	($1,121)	-1.8%
3000	200	600,000	540,000	60,000	$80,729	$80,325	($403)	-0.5%
3000	300	900,000	720,000	180,000	$98,964	$99,278	$314	0.3%
3000	350	1,050,000	735,000	315,000	$106,253	$106,926	$673	0.6%
3000	400	1,200,000	720,000	480,000	$112,811	$113,843	$1,032	0.9%
3000	500	1,500,000	825,000	675,000	$129,218	$130,967	$1,749	1.4%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC08Sec
CustChg	499.38
BillChg	0.62
DmdChg	7.93
DelNBC	4.61
DelRate1	-
DelRate2	-
MFC	-
ComNBC	-0.00043
KwhRate1	0.06692
KwhRate2	0.04212
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.790000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	Sec
CustChg	523.38
BillChg	1.08
DmdChg	11.86
DelNBC	0
DelRate1	-
DelRate2	-
MFC	0.00680
ComNBC	-0.00043
KwhRate1	0.06692
KwhRate2	0.04212
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	0.790000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 8 Large General service - TOU Secondary

							increase/decrease	
Kw	Hours Use	kWh	Peak	Off Peak	Present	Sep 01, 2010	Amount	Percent
500	50	25,000	24,375	625	$8,942	$8,686	($256)	-2.9%
500	100	50,000	47,500	2,500	$10,687	$10,491	($196)	-1.8%
500	200	100,000	90,000	10,000	$14,086	$14,009	($76)	-0.5%
500	300	150,000	120,000	30,000	$17,174	$17,217	$43	0.3%
500	350	175,000	122,500	52,500	$18,408	$18,511	$103	0.6%
500	400	200,000	120,000	80,000	$19,518	$19,681	$163	0.8%
500	500	250,000	137,500	112,500	$22,297	$22,579	$282	1.3%
1000	50	50,000	48,750	1,250	$17,383	$16,847	($536)	-3.1%
1000	100	100,000	95,000	5,000	$20,875	$20,458	($416)	-2.0%
1000	200	200,000	180,000	20,000	$27,671	$27,494	($177)	-0.6%
1000	300	300,000	240,000	60,000	$33,848	$33,910	$62	0.2%
1000	350	350,000	245,000	105,000	$36,316	$36,498	$182	0.5%
1000	400	400,000	240,000	160,000	$38,536	$38,838	$301	0.8%
1000	500	500,000	275,000	225,000	$44,093	$44,633	$540	1.2%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC08SubTrn-C
CustChg	699.38
BillChg	0.62
DmdChg	3.39
DelNBC	5.66
DelRate1	-
DelRate2	-
MFC	-
ComNBC	-0.00043
KwhRate1	0.06663
KwhRate2	0.04156
RAS	.0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.820000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	SubTrn-C
CustChg	769.38
BillChg	1.08
DmdChg	8.36
DelNBC	0
DelRate1	-
DelRate2	-
MFC	0.00680
ComNBC	-0.00043
KwhRate1	0.06663
KwhRate2	0.04156
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	0.820000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 8 Large General service - TOU SubTransmission Commercial

Kw	Hours Use	kWh	Peak	Off Peak	Present	Sep 01, 2010	increase/decrease Amount	Percent
500	50	25,000	24,375	625	$7,404	$7,189	($215)	-2.9%
500	100	50,000	47,500	2,500	$9,142	$8,987	($155)	-1.7%
500	200	100,000	90,000	10,000	$12,524	$12,489	($35)	-0.3%
500	300	150,000	120,000	30,000	$15,592	$15,677	$84	0.5%
500	350	175,000	122,500	52,500	$16,813	$16,957	$144	0.9%
500	400	200,000	120,000	80,000	$17,909	$18,112	$204	1.1%
500	500	250,000	137,500	112,500	$20,664	$20,987	$323	1.6%
1500	50	75,000	73,125	1,875	$20,813	$20,028	($785)	-3.8%
1500	100	150,000	142,500	7,500	$26,026	$25,421	($606)	-2.3%
1500	200	300,000	270,000	30,000	$36,172	$35,925	($247)	-0.7%
1500	300	450,000	360,000	90,000	$45,377	$45,489	$112	0.2%
1500	350	525,000	367,500	157,500	$49,039	$49,331	$291	0.6%
1500	400	600,000	360,000	240,000	$52,326	$52,796	$471	0.9%
1500	500	750,000	412,500	337,500	$60,591	$61,420	$829	1.4%
3000	50	150,000	146,250	3,750	$40,925	$39,285	($1,641)	-4.0%
3000	100	300,000	285,000	15,000	$51,353	$50,071	($1,282)	-2.5%
3000	200	600,000	540,000	60,000	$71,643	$71,079	($564)	-0.8%
3000	300	900,000	720,000	180,000	$90,054	$90,207	$153	0.2%
3000	350	1,050,000	735,000	315,000	$97,379	$97,891	$512	0.5%
3000	400	1,200,000	720,000	480,000	$103,952	$104,822	$871	0.8%
3000	500	1,500,000	825,000	675,000	$120,482	$122,070	$1,588	1.3%
5000	50	250,000	243,750	6,250	$67,742	$64,961	($2,782)	-4.1%
5000	100	500,000	475,000	25,000	$85,121	$82,938	($2,184)	-2.6%
5000	200	1,000,000	900,000	100,000	$118,939	$117,951	($988)	-0.8%
5000	300	1,500,000	1,200,000	300,000	$149,623	$149,831	$208	0.1%
5000	350	1,750,000	1,225,000	525,000	$161,831	$162,638	$806	0.5%
5000	400	2,000,000	1,200,000	800,000	$172,786	$174,190	$1,404	0.8%
5000	500	2,500,000	1,375,000	1,125,000	$200,336	$202,937	$2,600	1.3%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC08SubTrn-I
CustChg	699.38
BillChg	0.62
DmdChg	3.31
DelNBC	4.97
DelRate1	-
DelRate2	-
MFC	-
ComNBC	-0.00043
KwhRate1	0.06426
KwhRate2	0.04112
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.530000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	SubTrn-I
CustChg	769.38
BillChg	1.08
DmdChg	7.66
DelNBC	0
DelRate1	-
DelRate2	-
MFC	0.00680
ComNBC	-0.00043
KwhRate1	0.06426
KwhRate2	0.04112
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	0.530000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 8 Large General service - TOU SubTransmission Industrial

Kw	Hours Use	kWh	Peak	Off Peak	Present	Sep 01, 2010	increase/decrease Amount	Percent
500	50	25,000	24,375	625	$6,816	$6,636	($180)	-2.6%
500	100	50,000	47,500	2,500	$8,498	$8,379	($120)	-1.4%
500	200	100,000	90,000	10,000	$11,776	$11,776	($0)	0.0%
500	300	150,000	120,000	30,000	$14,765	$14,884	$119	0.8%
500	350	175,000	122,500	52,500	$15,970	$16,149	$179	1.1%
500	400	200,000	120,000	80,000	$17,059	$17,298	$239	1.4%
500	500	250,000	137,500	112,500	$19,758	$20,117	$358	1.8%
1500	50	75,000	73,125	1,875	$19,049	$18,368	($680)	-3.6%
1500	100	150,000	142,500	7,500	$24,095	$23,595	($501)	-2.1%
1500	200	300,000	270,000	30,000	$33,929	$33,787	($142)	-0.4%
1500	300	450,000	360,000	90,000	$42,894	$43,111	$217	0.5%
1500	350	525,000	367,500	157,500	$46,509	$46,905	$396	0.9%
1500	400	600,000	360,000	240,000	$49,777	$50,353	$576	1.2%
1500	500	750,000	412,500	337,500	$57,875	$58,809	$934	1.6%
3000	50	150,000	146,250	3,750	$37,397	$35,966	($1,431)	-3.8%
3000	100	300,000	285,000	15,000	$47,491	$46,419	($1,072)	-2.3%
3000	200	600,000	540,000	60,000	$67,157	$66,803	($354)	-0.5%
3000	300	900,000	720,000	180,000	$85,088	$85,451	$363	0.4%
3000	350	1,050,000	735,000	315,000	$92,318	$93,040	$722	0.8%
3000	400	1,200,000	720,000	480,000	$98,854	$99,935	$1,081	1.1%
3000	500	1,500,000	825,000	675,000	$115,050	$116,848	$1,798	1.6%
5000	50	250,000	243,750	6,250	$61,862	$59,430	($2,432)	-3.9%
5000	100	500,000	475,000	25,000	$78,685	$76,851	($1,834)	-2.3%
5000	200	1,000,000	900,000	100,000	$111,462	$110,824	($638)	-0.6%
5000	300	1,500,000	1,200,000	300,000	$141,347	$141,905	$558	0.4%
5000	350	1,750,000	1,225,000	525,000	$153,397	$154,553	$1,156	0.8%
5000	400	2,000,000	1,200,000	800,000	$164,290	$166,044	$1,754	1.1%
5000	500	2,500,000	1,375,000	1,125,000	$191,283	$194,233	$2,950	1.5%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC08SubSta
CustChg	799.38
BillChg	0.62
DmdChg	4.68
DelNBC	4.33
DelRate1	-
DelRate2	-
MFC	0.00
ComNBC	-0.00043
KwhRate1	0.06577
KwhRate2	0.04139
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.65
TSAS (P-kWh)	0.00
TSAS (O-kWh)	0.00
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	SC08SubSta
CustChg	879.38
BillChg	1.08
DmdChg	8.19
DelNBC	0
DelRate1	-
DelRate2	-
MFC	0.01
ComNBC	-0.00043
KwhRate1	0.06577
KwhRate2	0.04139
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	0.65
TSAS (P-kWh)	0.00
TSAS (O-kWh)	0.00
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 8 Large General service - TOU Substation

Kw	Hours Use	kWh	Peak	Off Peak	Present	Sep 01, 2010	increase/decrease Amount	Percent
500	50	25,000	24,375	625	$7,378	$7,108	($270)	-3.7%
500	100	50,000	47,500	2,500	$9,096	$8,886	($210)	-2.3%
500	200	100,000	90,000	10,000	$12,440	$12,349	($90)	-0.7%
500	300	150,000	120,000	30,000	$15,479	$15,508	$29	0.2%
500	350	175,000	122,500	52,500	$16,694	$16,783	$89	0.5%
500	400	200,000	120,000	80,000	$17,787	$17,936	$149	0.8%
500	500	250,000	137,500	112,500	$20,521	$20,790	$268	1.3%
1500	50	75,000	73,125	1,875	$20,534	$19,564	($970)	-4.7%
1500	100	150,000	142,500	7,500	$25,688	$24,897	($791)	-3.1%
1500	200	300,000	270,000	30,000	$35,719	$35,287	($432)	-1.2%
1500	300	450,000	360,000	90,000	$44,837	$44,764	($73)	-0.2%
1500	350	525,000	367,500	157,500	$48,482	$48,588	$106	0.2%
1500	400	600,000	360,000	240,000	$51,760	$52,046	$286	0.6%
1500	500	750,000	412,500	337,500	$59,964	$60,608	$644	1.1%
3000	50	150,000	146,250	3,750	$40,269	$38,248	($2,021)	-5.0%
3000	100	300,000	285,000	15,000	$50,575	$48,913	($1,662)	-3.3%
3000	200	600,000	540,000	60,000	$70,639	$69,694	($944)	-1.3%
3000	300	900,000	720,000	180,000	$88,874	$88,647	($227)	-0.3%
3000	350	1,050,000	735,000	315,000	$96,163	$96,295	$132	0.1%
3000	400	1,200,000	720,000	480,000	$102,721	$103,212	$491	0.5%
3000	500	1,500,000	825,000	675,000	$119,128	$120,336	$1,208	1.0%
5000	50	250,000	243,750	6,250	$66,582	$63,160	($3,422)	-5.1%
5000	100	500,000	475,000	25,000	$83,759	$80,935	($2,824)	-3.4%
5000	200	1,000,000	900,000	100,000	$117,198	$115,570	($1,628)	-1.4%
5000	300	1,500,000	1,200,000	300,000	$147,590	$147,158	($432)	-0.3%
5000	350	1,750,000	1,225,000	525,000	$159,739	$159,905	$166	0.1%
5000	400	2,000,000	1,200,000	800,000	$170,668	$171,432	$764	0.4%
5000	500	2,500,000	1,375,000	1,125,000	$198,013	$199,973	$1,960	1.0%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC08Trn
CustChg	949.38
BillChg	0.62
DmdChg	3.38
DelNBC	1.74
DelRate1	-
DelRate2	-
MFC	-
ComNBC	-0.00043
KwhRate1	0.06691
KwhRate2	0.04211
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.080000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	Trn
CustChg	982.38
BillChg	1.08
DmdChg	4.99
DelNBC	0
DelRate1	-
DelRate2	-
MFC	0.00680
ComNBC	-0.00043
KwhRate1	0.06691
KwhRate2	0.04211
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	0.080000
TSAS (P-kWh)	-
TSAS (O-kWh)	-
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 8 Large General service - TOU Transmission

Kw	Hours Use	kWh	Peak	Off Peak	Present	Sep 01, 2010	increase/decrease Amount	Percent
1000	50	50,000	48,750	1,250	$9,703	$9,726	$23	0.2%
1000	100	100,000	95,000	5,000	$13,194	$13,336	$143	1.1%
1000	200	200,000	180,000	20,000	$19,989	$20,371	$382	1.9%
1000	300	300,000	240,000	60,000	$26,165	$26,786	$621	2.4%
1000	350	350,000	245,000	105,000	$28,633	$29,373	$741	2.6%
1000	400	400,000	240,000	160,000	$30,852	$31,713	$860	2.8%
1000	500	500,000	275,000	225,000	$36,408	$37,507	$1,099	3.0%
3000	50	150,000	146,250	3,750	$27,208	$27,211	$2	0.0%
3000	100	300,000	285,000	15,000	$37,681	$38,042	$361	1.0%
3000	200	600,000	540,000	60,000	$58,068	$59,146	$1,079	1.9%
3000	300	900,000	720,000	180,000	$76,594	$78,391	$1,796	2.3%
3000	350	1,050,000	735,000	315,000	$83,998	$86,153	$2,155	2.6%
3000	400	1,200,000	720,000	480,000	$90,657	$93,171	$2,514	2.8%
3000	500	1,500,000	825,000	675,000	$107,324	$110,555	$3,231	3.0%
8000	50	400,000	390,000	10,000	$70,972	$70,923	($50)	-0.1%
8000	100	800,000	760,000	40,000	$98,899	$99,806	$907	0.9%
8000	200	1,600,000	1,440,000	160,000	$153,264	$156,084	$2,821	1.8%
8000	300	2,400,000	1,920,000	480,000	$202,668	$207,403	$4,734	2.3%
8000	350	2,800,000	1,960,000	840,000	$222,411	$228,102	$5,691	2.6%
8000	400	3,200,000	1,920,000	1,280,000	$240,169	$246,817	$6,648	2.8%
8000	500	4,000,000	2,200,000	1,800,000	$284,614	$293,175	$8,561	3.0%
15000	50	750,000	731,250	18,750	$132,242	$132,119	($123)	-0.1%
15000	100	1,500,000	1,425,000	75,000	$184,604	$186,275	$1,671	0.9%
15000	200	3,000,000	2,700,000	300,000	$286,538	$291,797	$5,259	1.8%
15000	300	4,500,000	3,600,000	900,000	$379,172	$388,019	$8,847	2.3%
15000	350	5,250,000	3,675,000	1,575,000	$416,189	$426,830	$10,641	2.6%
15000	400	6,000,000	3,600,000	2,400,000	$449,486	$461,921	$12,435	2.8%
15000	500	7,500,000	4,125,000	3,375,000	$532,820	$548,843	$16,023	3.0%

Rochester Gas & Electric Corporation
Retail Delivery Revenues for Forecast Year Ending August 31, 2011
Monthly Bill Impact

Present	SC09
CustChg	49.38
BillChg	0.62
DmdChg	9.01
DelNBC	0.01127
DelRate1	0.00663
DelRate2	0.00389
MFC	-
ComNBC	-0.00043
KwhRate1	0.06704
KwhRate2	0.04232
RAS	0.00217
SBC&EEPS	0.002238
RPS	0.000788
TSAS (kW)	0.560000
TSAS (P-kWh)	0.000410
TSAS (O-kWh)	0.000240
GRTcom	1.000000
GRTDel	1.000000

September 1, 2010	SC09
CustChg	54.38
BillChg	1.08
DmdChg	9.01
DelNBC	0
DelRate1	0.01280
DelRate2	0.01280
MFC	0.00710
ComNBC	-0.00043
KwhRate1	0.06704
KwhRate2	0.04232
RAS	-
SBC&EEPS	-
RPS	0.000788
TSAS (kW)	0.560000
TSAS (P-kWh)	0.000410
TSAS (O-kWh)	0.000240
GRTcom	1.000000
GRTDel	1.000000

PSC No. 19 S.C. 9 General service - Time-of-Use

							increase/decrease	
Kw	Hours Use	kWh	Peak	Off Peak	Present	Sep 01, 2010	Amount	Percent
100	50	5,000	4,875	125	$1,454	$1,448	($6)	-0.4%
100	100	10,000	9,500	500	$1,894	$1,877	($17)	-0.9%
100	200	20,000	18,000	2,000	$2,754	$2,717	($37)	-1.4%
100	300	30,000	24,000	6,000	$3,545	$3,494	($50)	-1.4%
100	350	35,000	24,500	10,500	$3,871	$3,821	($50)	-1.3%
100	400	40,000	24,000	16,000	$4,170	$4,123	($47)	-1.1%
100	500	50,000	27,500	22,500	$4,891	$4,838	($53)	-1.1%
250	50	12,500	12,188	312	$3,560	$3,537	($24)	-0.7%
250	100	25,000	23,750	1,250	$4,661	$4,610	($51)	-1.1%
250	200	50,000	45,000	5,000	$6,810	$6,709	($101)	-1.5%
250	300	75,000	60,000	15,000	$8,787	$8,653	($134)	-1.5%
250	350	87,500	61,250	26,250	$9,602	$9,469	($133)	-1.4%
250	400	100,000	60,000	40,000	$10,349	$10,223	($126)	-1.2%
250	500	125,000	68,750	56,250	$12,153	$12,011	($141)	-1.2%

Exhibit 168

Exhibit___(FWR-1)

FRANK W. RADIGAN

EDUCATION

B.S., Chemical Engineering -- Clarkson University, Potsdam, New York (1981)

Certificate in Regulatory Economics -- State University of New York at Albany (1990)

SUMMARY OF PROFESSIONAL EXPERIENCE

1998–Present **Principal, Hudson River Energy Group, Albany, NY** -- Provide research, technical evaluation, due diligence, reporting, and expert witness testimony on electric, steam, gas and water utilities. Provide expertise in electric supply planning, economics, regulation, wholesale supply and industry restructuring issues. Perform analysis of rate adequacy, rate unbundling, cost-of-service studies, rate design, rate structure and multi-year rate agreements. Perform depreciation studies, conservation studies and proposes feasible conservation programs.

1997–1998 **Manager Energy Planning, Louis Berger & Associates, Albany, NY** – Advised clients on rate setting, rate design, rate unbundling and performance based ratemaking. Served a wide variety of clients in dealing with complexities of deregulation and restructuring, including OATT pricing, resource adequacy, asset valuation in divestiture auctions, transmission planning policies and power supply.

1981–1997 **Senior Valuation Engineer, New York State Public Service Commission, Albany, NY** – Starting as a Junior Engineer and working progressively through the ranks, served on the Staff of the New York State Department of Public Service in the Rates and System Planning Sections of the Power Division and in the Rates Section of the Gas and Water Division. Responsibilities included the analysis of rates, rate design and tariffs of electric, gas, water and steam utilities in the State and performing embedded and marginal cost of service studies. Before leaving the Commission, was responsible for directing all engineering staff during major rate proceedings.

FIELDS OF SPECIALIZATION

Electric power restructuring, wholesale and retail wheeling rates, analysis of load pockets and market power, divestiture, generation planning, power supply agreements and expert witness testimony, retail access, cost of service studies, rate unbundling, rate design and depreciation studies.

PROJECT HIGHLIGHTS

Wholesale Commodity Markets

Transmission Expansion Planning – Various Utilities -- Member of Transmission Expansion Advisory Committee in the New England Power Pool – the Committee is charged with the study of transmission expansion needs in the deregulated New England electric market. Ongoing

Locational Based Pricing – Reading Municipal Light Department -- Using GE multi-area production simulation model (MAPS), analyzed New England wholesale power market to cost differences between various generators and load centers. 2003

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Merchant Plant Analysis – Confidential client – Using GE multi-area production simulation model (MAPS), analyzed New York City wholesale power market to determine economics of restructuring PURPA era contract to market priced contract. 2002

Market Price Forecasting – El Paso Merchant Energy – Analyzed New England power market using MAPS for purpose of pricing natural gas supply in order to ensure that plant was dispatched at 70% capacity factor as required under its gas supply contract. 2002

Market Price Analysis – Novo Windpower – Analyzed hourly market price data in New York for each load zone in State in order to optimize location of new wind power projects. 2002

Gas Aggregation – Village of Ilion – Advised client on costs/benefits of aggregating residential gas customers for purpose of gas purchasing. 2002

Gas Procurement – Albany County, New York – Assisted client in analysis of economics of existing gas purchase contract; negotiated termination of contract; designing request for proposal for new natural gas supply. 2000

HQ Prudence Review – Selected by Vermont Public Service Board to perform prudence review power supply contract between Hydro Quebec and Central Vermont Public Service Corporation. 1998

Wholesale Power Supply – Prepared comprehensive RFP to optimize power supply for Solvay municipal utility by complementing existing low cost power supplies in order to entice new industrial load to locate within Village. 1997

Analysis of Load Pockets and Market Power – Performed analysis of load pockets and market power in New York State; determined physical and financial measures that could mitigate market power. 1996

Study of IPP Contracts and Impacts in New York Performed study to determine rate impacts of power purchase contracts entered into by investor owned utilities and independent power producers (IPPs); separately measured rate impacts resulting from statewide excess-capacity; determined level of non-optimal reserves for each utility. 1995

Power Purchase Contract Policies and Procedures – Directed NYSPSC Staff teams in formulation of short- and long-run avoided cost estimates (LRACs) using production simulation model (PROMOD); forecasted load and capacity requirements; developed utility buy-back rates; presented expert witness testimony on buy-back rate estimates and calculation methodologies, thereby implementing curtailment of IPPs as allowed under PURPA. 1990-1994

Integrated Resource Planning - Led NYSPSC Staff team's examination of each utility's IRP process and examination of impacts of processes and regulatory policies influencing the decision making process. 1994

Intrastate Wheeling Commission Transmission Analysis and Assessment – Chairman of NYSPSC Proceeding to examine plans for meeting future electricity needs in New York State. Addressed measures for estimating and allocating costs of wheeling, including embedded cost, short-run marginal cost and long run incremental cost methods. 1990

Rate Setting

Rate Case Cost of Service Study – Stowe Electric Department, NY – For small municipal electric utility, assisted in the preparation full cost of service study before the Vermont Public Service Board. 2009

Rate Case Cost of Service Study – Village of Greene, NY – For small municipal electric utility, assisted in the preparation full cost of service study before the New York Public Service Commission. 2008

Rate Case Cost of Service Study – Village of Bath, NY – For small municipal electric utility, assisted in the preparation full cost of service study before the New York Public Service Commission. 2008

Rate Case Cost of Service Study – Village of Richmondville, NY – For small municipal electric utility, assisted in the preparation full cost of service study before the New York Public Service Commission. 2008

Economic Development Rate – Massena Electric Department – For municipal electric utility, developed tariffs for economic development rates for new or expanded load.

Rate Case Cost of Service Study – Village of Hamilton, NY – For small municipal electric utility, prepared full cost of service study before the New York Public Service Commission. 2004

Rate Study – Pascoag Utility District – Reviewed the application of the Power Authority of the State of New York to increase rates to its wholesale power customers. 2003

Rate Study - Kennebunk Power and Light Department – Performed rate study of new multi-year wholesale power contract against existing rates to determine impact on overall revenue recovery and cash flows of utility. 2003

Rate Case Cost of Service Study – Village of Arcade, NY – For small municipal electric utility, assisted in the preparation full cost of service study before the New York Public Service Commission. 2003

Rate Case Cost of Service Study – Village of Philadelphia, NY – For small municipal electric utility, assisted in the preparation full cost of service study before the New York Public Service Commission. 2003

Rate Case Cost of Service Study – Village of Hamilton, NY – For small municipal electric utility, prepared full cost of service study before the New York Public Service Commission. 2004

Rate Case Cost of Service Study – Fillmore Gas Company – For small natural gas local distribution company, performing cost of service study for internal budget controls and formal rate case before the New York Public Service Commission. 2003

Rate Case Cost of Service Study – Rowlands Hollow Water Works – For small water company, performing cost of service study for internal budget controls and formal rate case before the New York Public Service Commission. 2003

Standby Rates – Independent Power Producers of New York – Analyzed reasonableness of proposed standby rates of Niagara Mohawk Power Corporation; proposed alternate rate designs; participated in settlement negotiations for new rates. 2002

Economic Development Rates – Pascoag Utility District – Designed new cost based economic development rates charged to large industrial customer contemplating locating within the municipality. 2002

Municipalization Study – Kennebunk Power and Light Department – Performed economic analysis of municipal utility serving remaining portions of Village not already served; performed valuation of the plant currently owned by Central Maine Power. 2001

Water Rate Study – Pascoag Utility District – Performed cost of service study for water utility; presented alternate methods of funding revenue requirement. 2001

Pole Attachment Rates – Middleborough Gas and Electric Department – Designed cost based pole attachment rates charged to CATV customers. 2000

ISO Service Tariff -- On behalf of three municipal utilities, analyzed cost basis and proposed rate design of ISO

Service Tariffs. 2000

Pole Attachment Rates – City of Farmington, New Mexico municipal electric department – Designed cost based pole attachment rates for CATV customers. 1999

OATT Rates – On behalf of four municipal utilities in New England – Developed cost based annual revenue requirements for regional network transmission rates; represent utilities before ISO New England committees on transmission rate setting issues. 1998-2004

Consolidated Edison Restructuring – Member NYPSC Staff team – Negotiated major restructuring settlement with Consolidated Edison, which decreased utility's rates by $700 million over five years; implemented retail access program; performed rate unbundling; divestiture of utility generation and the allowance of the formation of a holding company; accelerated depreciation of generation; established customer education programs on restructuring; established service quality and service reliability incentive to ensure that provision of electric service will diminish as competitive market emerges. The agreement served as the template for restructuring in New York. 1997

Cost-of-service Review and Rate Unbundling – Performed rate unbundling of retail rates of Orange & Rockland Utilities, Inc. to facilitate delivery of New York Power Authority energy to customer located in Orange & Rockland's service territory. 1992

Vintage Year Salvage and Study - Managed joint study of staff from Rochester Gas and Electric Corporation and NYSPSC to determine feasibility of using vintage year salvage accounting for determining future salvage rates. 1985

Environmental Issues

Energy Conservation Study – **Pascoag Utility District – Designed energy conservation rebate program based on cost benefit study of various alternatives. Program funded through State mandated collection of energy conservation monies from ratepayers. 2002**

Clean Air Act Lawsuit – New York State Attorney General – Investigated modifications made at coal fired generating units of New York utilities to determine whether major modifications were made with obtaining pre-construction permits as required by the prevention of Significant Deterioration (PSD) provisions of the Act. 1999-2002.

Environmental Impact Study and Simulation Modeling Analysis – Analyzed potential environmental impacts of restructuring electric industry in NY using production simulation model PROMOD. 1996

Renewable Resources – Project Leader in NYSPSC proceeding regarding development and implementation of utility plans to promote use of renewable resources. 1995

Environmental and Economic Impacts Study – Directed study of pool-wide power plant dispatch with environmental adders to determine environmental and economic effects of dispatching electric power plants with monetized environmental adders. 1994

Clean Air Impact Study – Directed study of effects of the Clean Air Act of 1990. Measured statewide cost savings if catalytic reduction control facilities were elected to comply with 1990 Clean Air Act Amendments; installed components on units in metropolitan NY region. 1994

Environmental Externalities and Socioeconomic Impacts Study – Managed NYSPSC proceeding to determine whether to incorporate environmental costs into Long-Run Avoided Costs for the State's electric utilities. Study purposes: explore the socioeconomic impacts of electric production as compared with DSM; monetize environmental impacts of electricity. 1993

EXPERT WITNESS TESTIMONY

Case 08-E-0539 – Consolidated Edison – Electric Rates -- On behalf of County of Westchester testified to the reasonableness of the Company's proposal to increase retail electric rates by $854 million. 2008

Docket No. 08-07-04 – United Illuminating – On behalf of the Connecticut Office of Consumer's Counsel examined the reasonableness of the Company's proposed construction budget. 2008

Docket No. 08-06036 – Spring Creek Utilities - On behalf of the Nevada Attorney General's Bureau of Consumer Protection testified on the overall revenue requirement, the cost allocation and amortization of a new financial accounting system, the appropriate level of rate case expense, allocation of corporate salaries, recovery of property taxes, and rate design. 2008

D.P.U. 8-35 – New England Gas Company – On behalf of the Massachusetts Attorney General testified to the reasonableness of the Company's request to increase rates in light of the terms of a previous settlement, the level of expenses being charged from the parent Company to the affiliate, the proposed increase in deprecation expense and the proposed revenue allocation and rate design. 2008

Docket No. 08-96 – Artesian Water Company - on behalf of the Staff of the Delaware Public Service Commission examined the reasonableness of the Company's cost of service study and proposed revenue allocation and rate design. 2008

Docket No. E-01345A-08-0172 – Arizona Public Service – on behalf of the on behalf of the Arizona Corporation Commission examined the reasonableness of the Company's embedded cost of service study, proposed revenue allocation, proposed rate design and proposal regarding demand side management cost recovery. 2009

Docket No. 05-03-17PH02 – Southern Connecticut Gas Company – on behalf of the Connecticut Office of Consumer's Counsel examined the reasonableness of the Company's embedded costs of service study and proposed revenue allocation and rate design. 2008

Docket No. 06-03-04PH02 – Connecticut Natural Gas Corporation – on behalf of the Connecticut Office of Consumer's Counsel examined the reasonableness of the Company's embedded cost of service study and proposed revenue allocation and rate design. 2008

Docket No. G-01551A-07-0504 – Southwest Gas Corporation – on behalf of the Arizona Corporation Commission examined the reasonableness of the Company's embedded cost of service study, proposed revenue allocation, proposed rate design and proposals regarding revenue decoupling. 2008

Docket No. E-01933A-07-0402 – Tucson Electric Power Company – on behalf of the Arizona Corporation Commission examined the reasonableness of the Company's embedded cost of service study, proposed revenue allocation, proposed rate design and proposals regarding mandatory time of use rates. 2008

Docket No. 07-09030 – Southwest Gas Corporation – on behalf of the Staff of the Nevada Public Utilities Commission testified on the reasonableness of the utility's proposed depreciation rates. 2008

Civil Action 05-C-457-1 – Dominion Hope – on behalf of former employee of the utility examined the utility's hedging and sales for resale practices between affiliates. 2008

Case 07-829-GA-AIR – Dominion East Ohio – on behalf of the Office of the Ohio Consumer's Counsel examined the reasonableness of the Company's embedded cost of service study, proposed revenue allocation and rate design and examined the reasonableness of proposals on revenue decoupling and straight fixed variable rate design. 2008

Case 07-S-1315 – Consolidated Edison Steam Rates -- On behalf of County of Westchester testified to the reasonableness of the method of allocating costs between the utility's steam system and its electric system. 2008

Case No. 9134 – Green Ridge Utilities, Inc. – on behalf of the Maryland Office of People's Counsel examined the reasonableness of the utility's proposed rate application including the appropriate cost allocation and amortization period for expenses incurred to develop and implement Project Phoenix (a new software and financial accounting system project), the appropriate level of rate case expense, the requested rate of return and the appropriate level and allocation for common expenses from the parent company. 2008

Case No. 9135 -- Provinces Utilities, Inc. – on behalf of the Maryland Office of People's Counsel examined the reasonableness of the utility's proposed rate application including the appropriate cost allocation and amortization period for expenses incurred to develop and implement Project Phoenix (a new software and financial accounting system project), the appropriate level of rate case expense, the requested rate of return and the appropriate level and allocation for common expenses from the parent company. 2008

Case 07-M-0906 – Energy East and Iberdola – On behalf of Nucor Steel, Auburn, Inc. examined the reasonableness of the proposed Acquisition of Energy East Corporation by Iberdrola merger. 2008

Case 07-E-0523 – Consolidated Edison – Electric Rates -- On behalf of County of Westchester testified to the reasonableness of the Company's proposal to increase retail electric rates by over $1.2 billion or 33%. 2007

Docket Nos. ER07-459-002, ER07-513-002, and EL07-11-002 – Vermont Transco -- on behalf of the Vermont Towns of Stowe and Hardwick, and the Villages of Hyde Park, Johnson and Morrisville on whether the direct assignment and rate impacts of a proposed transmission line were with current policy of the Federal Energy Regulatory Commission 2007

Docket No. 07-05-19 – Aquarion Water Company – On behalf of the Connecticut Office of Peoples Counsel examined the reasonableness of the utility's proposed revenue allocation, rate design, weather normalization and depreciation rates 2007

Docket No. E-04204A-06-0783 – UNS Electric – On behalf of the Arizona Corporation Commission testified on the reasonableness of the utility's proposed revenue allocation and rate design. 2007

Docket Nos. 06-11022 and 06-11023 – Nevada Power Company – On behalf of the Staff of the Nevada Public Utilities Commission testified on the reasonableness of the utility's proposed depreciation rates and expense levels. 2007

Case 06-G-1186 – KeySpan Delivery Long Island – on behalf of the Counties of Nassau and Suffolk analyzed the Company's proposed rate design and its for amortization of costs for expenditures relating to Manufactured Gas Plants. 2007

Case 06-M-0878 – National Grid and KeySpan Corporation -- on behalf of the Counties of Nassau and Suffolk analyzed the public benefit of the proposed merger, customer service, demand side management programs, rate relief as it relates to competition and customer choice, the repowering of the existing generating stations on Long Island, and the remediation of contamination caused by Manufactured Gas Plants. 2007

Docket No. 06-07-08 – Connecticut Water Company – On behalf of the Connecticut Department of Utility Control examined the reasonableness of the utility's proposed depreciation rates, revenue allocation and rate design. 2006

Docket No. EL07-11-000 – Vermont Transco -- on behalf of the Vermont Towns of Stowe and Hardwick, and the Villages of Hyde Park, Johnson and Morrisville evaluated whether the proposed and subsequently abandoned allocation of costs for the Lamoille County Project was reasonable and whether the direct assignment and rate impacts of a proposed transmission line were with current policy of the Federal Energy Regulatory Commission.

2006

Case 05-S-1376 – Consolidated Edison – Steam Rates -- On behalf of County of Westchester testified to the reasonableness of the method of allocating costs between the utility's steam system and its electric system. 2006

Docket No. 06-48-000 – Braintree Electric Light Department – On behalf of the municipal utility presented an cost of service study used to calculate the annual revenue requirement for a generating station that was deemed to be required for reliability purposes. 2006

Case 05-E-1222 – New York State Electric and Gas Corporation – On behalf of Nucor Steel, Auburn, Inc. examined the reasonableness of the utility's proposed average service lives, forecast net salvage figures, and proposal to switch from whole life to remaining life method. 2006

Docket No. 05-10004 – Sierra Pacific Power Company – On behalf of the Staff of the Nevada Public Utilities Commission testified on the reasonableness of the utility's proposed electric depreciation rates and expense levels. 2006

Docket No. 05-10006 – Sierra Pacific Power Company – On behalf of the Staff of the Nevada Public Utilities Commission testified on the reasonableness of the utility's proposed gas depreciation rates and expense levels. 2006

Docket No. ER06-17-000 – ISO New England, Inc. – On behalf of a group of municipal utilities in Massachusetts prepared an affidavit on the reasonableness of proposed changes to the Regional Network Service transmission revenue requirements rate setting formula. 2005

Case 04-E-0572 – Consolidated Edison – Electric Rate – On behalf of the County of Westchester testified to the reasonableness of the Company's revenue allocation amongst service classes and the company's fully allocated embedded cost of service study. 2004

Docket No. 04-02-14 – Aquarion Water Company – On behalf of the Connecticut Department of Utility Control examined the reasonableness of the utility's proposed depreciation rates, weather normalization proposal and certain operation and maintenance expense forecasts. 2004

Docket No. U-13691 – Detroit Thermal, LLC – On behalf of the Henry Ford Health Systems testified on the reasonableness of the utility's proposed default tariffs for steam service. 2004

Docket No. 04-3011 – Southwest Gas Corporation – On behalf of the Staff of the Nevada Public Utilities Commission testified on the reasonableness of the utility's proposed depreciation rates and expense levels. 2004

Docket No. ER03-563-030 -- Devon Power, LLC, *et al.* – On behalf of the Wellesley Municipal Light Plant filed a prepared affidavit with FERC with respect the proposal of ISO New England, Inc. to establish a locational Installed Capability market in New England. 2004

Docket No. 03-10002 – Nevada Power Company – On behalf of the Staff of the Nevada Public Utilities Commission testified on the reasonableness of the utility's proposed depreciation rates and expense levels. 2004

Case 03-E-0765 – Rochester Gas and Electric Corporation - Before the New York Public Service Commission submitted testimony on rate design, rate unbundling, depreciation, commodity supply and reasonableness and ratemaking treatment of proceeds from the sale of a nuclear generating plant. 2003

New York State Department of Taxation and Finance Versus Brooklyn Navy Yard Cogeneration Partners – Testified on behalf of independent power producer in income tax case regarding tax payments associated with gas used to produce electricity. Testimony focused on ratemaking policies and practices in New York State. 2003

Docket No. 2930 – Narragansett Electric – Before the Rhode Island Public Utilities Commission submitted testimony on the reasonableness of the utility's proposed shared savings filing and its implications for the overall reasonableness of the Company's distribution rates. 2003

Docket No. 03-07-01 – Connecticut Light and Power Company – Before the Connecticut Department of Public Utility Control testified to the recovery of "federally mandated" wholesale power costs. 2003

Docket No. ER03-1274-000 – Boston Edison Company – Before the Federal Energy Regulatory Commission submitted affidavit on the reasonableness of the utility's proposed depreciation rates and expense levels. 2003

Case 210293 – Corning Incorporated – Before the New York Public Service Commission submitted an affidavit on certain actions of New York State Electric & Gas Corporation regarding the wholesale price of power in New York and the utility's billing practices as they relate to flex rate contracts. 2003

Case 332311 – Nucor Steel Auburn, Inc. – Before the New York State Public Service Commission submitted an affidavit on certain actions of New York State Electric & Gas Corporation regarding the wholesale price of power in New York and the utility's billing practices as they relate to flex rate contracts. 2003

Case 6455/03 – Prepared affidavit for consideration by the Supreme Court of the State of New York as to the purpose, need and fuel choice for the Jamaica Bay Energy Center (Jamaica Bay) as it related to good utility planning practice for meeting the energy needs of utility customers. 2003

Case 00-M-0504 – New York State Electric and Gas Corporation – Reviewed reasonableness of utility's fully allocated embedded cost of service study and proposed unbundled delivery rates. 2002

Docket No. TX96-4-001 – On behalf of the Suffolk County Electrical Agency proposed unbundled embedded cost rates for wheeling of wholesale power across distribution facilities. 2002

Case 00-E-1208 – Consolidated Edison: Electric Rate Restructuring – On behalf of Westchester County, addressed reasonableness of having differentiated delivery services rates for New York City and Westchester. 2001

Case 01-E-0359 – Petition of New York State Electric & Gas – Multi-Year Electric Price Protection Plan – Addressed reasonableness of Price Protection Plan (PPP); presented alternative rate plan that called for 20% decrease in utility's base rates. 2001

Case 01-E-0011 – Joint Petition of Co-Owners of Nine Mile Nuclear Station – Addressed the reasonableness of the proposed nuclear asset sale and the ratemaking treatment of the after gain sale proposed by NYSEG. 2001

Docket No. EL00-62-005 – ISO New England Inc. – Submitted affidavit on reasonableness of ISO's proposed $4.75/kW/month Installed Capability Deficiency Charge. June 2001

Docket No. EL00-62-005 – ISO New England Inc. – Submitted affidavit on reasonableness of proposed $0.17/kW/month Installed Capability Deficiency Charge. January 2001

Docket No. 2861 – Pascoag Fire District: Standard Offer, Charge, Transition Charge and Transmission Charge – Testified on elements of individual charges, procedures for calculation and reasons for changes from previous filed rates. 2001

Case 96-E-0891 – New York State Electric & Gas: Retail Access Credit Phase – On behalf of a large industrial customer, testified on cost of service considerations regarding NYSEG's earnings performance under the terms of a multi-year rate plan and the appropriate level of Retail Access Credit for customers seeking alternate service from alternate suppliers. 2000

Docket No. ER99-978-000 – Boston Edison Company: Open Access Transmission Tariff – Testified on design, revenue requirement, and reasonableness of proposed formula rates proposed by Boston Edison Company for calculating charges for local network transmission service under open access tariff. 1999

Docket Nos. OA97-237-000, et. al. – New England Power Pool: OATT – Testified on design, revenue requirement, and reasonableness of proposed formula rate for transmission service; testified to proposed rates, charges, terms and conditions for ancillary services. 1999

Docket No. 2688 – Pascoag Fire District: Electric Rates – Testified on elements of savings resulting from renegotiation of contract with wholesale power supplier and presented analysis that justified need for and amount of base rate increase. 1998

New York State Department of Taxation and Finance Versus Zapco Energy Tactics Corporation – Testified on behalf of independent power producer in income tax case regarding tax payments associated with electric interconnection equipment. Testimony focused on policies and practices faced in doing business in New York State. 1998

Docket No. 2516 – Pascoag Fire District: Utility Restructuring – Testified on manner and means for utility's restructuring in compliance with Rhode Island Utility Restructuring Act of 1996. Testimony presented a methodology for calculating stranded cost charge, unbundled rates, and new terms and conditions of electric services in deregulated environment. 1997

Case 94-E-0334 – Consolidated Edison: Electric Rates – Led Staff team in review of utility's multi-year rate filing seeking increased rates of $400 million. Directed team in review of resource planning, power purchase contract administration, and fuel and purchased power expenses and testified on reasonableness of company's actions regarding buy-out of contract with an independent power producer and renegotiation of contract with another independent power producer. Lead negotiations for multi-year settlement and performance-based ratemaking package that resulted in a three-year rate freeze. 1994

Case 93-G-0996 – Consolidated Edison: Gas Rates – Testified on reasonableness of utility's proposed depreciation rates. 1994

Case 93-S-0997 – Consolidated Edison: Steam Rates – Testified on reasonableness of utility's resource planning for steam utility system. 1994

Case 93-S-0997 and 93-G-0996 – Consolidated Edison: Steam Rates – Testified on reasonableness of multi-year rate plan proposed by the utility. 1994

Case 94-E-0098 – Niagara Mohawk: Electric Rates – Reviewed utility's management of its portfolio of power purchase contracts with independent power producers for the reasonableness of recovery of costs in retail rates. 1994

Case 93-E-0807 – Consolidated Edison: Electric Rates – Testified on rate recovery mechanism for costs associated with termination of five contracts with independent power producers. 1993

Case 92-E-0814 – Petition for Approval of Curtailment Procedures – Testified on methodology for estimating amount of power required to be curtailed and staff's estimate of curtailment. 1992

Case 90-S-0938 – Consolidated Edison: Steam Rates – Testified on reasonableness of utility's embedded cost of service study, and proposed revenue re-allocation and rate design. 1991

Case 91-E-0462 – Consolidated Edison: Electric Rates – Implementation of partial pass-through fuel adjustment incentive clause. 1991

Case 90-E-0647 – Rochester Gas and Electric: Electric Rates – Analysis and estimation of monthly fuel and purchased power costs for use in utility's performance based partial pass-through fuel adjustment clause. 1990

Case 29433 – Central Hudson Gas and Electric: Electric Rates – Analysis of utility's construction budgeting process, rate year electric plant in service forecast, lease revenue forecast, forecast and rate treatment of profits from sales of wholesale power and estimation of fuel and purchased power expenses for use in the utility's partial pass-through fuel adjustment clause. 1987

Case 29674 – Rochester Gas and Electric: Electric Rates – Review of utility's historic and forecast O&M expenditure levels forecast and rate treatment of profits from wholesale power, and estimation of fuel and purchased power expenses, and price out of incremental revenues from increased retail sales. 1987

Case 29195 – Central Hudson Gas and Electric: Electric Rates – Review of utility's construction budgeting process, analysis of rate year electric plant in service, forecast and rate treatment of profits from sales of wholesale power, and estimation of fuel and purchased power expenses. 1986

Case 29046 – Orange and Rockland Utilities: Electric Rates – Testified on the reasonableness of the utility's proposed depreciation rates and expense levels. 1985

Case 28313 – Central Hudson Gas and Electric: Electric Rates – Review of utility's construction budgeting process; analysis of rate year electric plant in service forecast; review of rate year operations and maintenance expense forecast; forecast and rate treatment of profits from sales of wholesale power; estimation of fuel and purchased power expenses. 1984

Case 28316 – Rochester Gas and Electric: Steam Rates – Price out of steam sales including the review of historic sales growth, usage patterns and forecast number of customers. 1984

PRESENTATIONS

National Association of State Utility Consumer Advocates Annual Conference, 2008 – Speaker on a case study of "Smart Metering"

Multiple Intervenors Annual Conference – What Will Impact Market Prices? 1998, Syracuse, New York – Speaker on the impact that deregulation would have on market prices for large industrial customers.

IBC Conference – Successful Strategies for Negotiating Purchased Power Contracts, 1997, Washington, DC – Speaker on NY power purchase contract policies, ratepayer valuation, contract approval process and policy on recovery of buyout costs.

Gas Daily Conference – Fueling the Future: Gas' Role in Private Power Projects, 1992, Houston, Texas – Panel member addressing changing power supply requirements of electric utilities.

MEMBERSHIPS/ASSOCIATIONS

Member Municipal Electric Utility Association, Northeast Public Power Association and New York State ISO.

Exhibit 169

Exhibit__(FWR-2)

The Public Policy Institute
of New York State, Inc.

MONTHLY ECONOMIC SNAPSHOT OF UPSTATE NEW YORK

As of November 2009

The Public Policy Institute of New York State, Inc. ■ 152 Washington Ave. ■ Albany, NY 12210-2289 ■ (518) 465-7511 ■ www.ppinys.org

	SHORT-TERM TRENDS				LONGER-TERM TRENDS			
	Monthly BLS payroll jobs data				*Annual averages, payroll jobs*			
All jobs numbers in 1,000s. U.S. BLS establishment data survey, not seasonally adjusted	Nov-09	Same month last year	# change	% change	2008	2000	# change	% change
TOTAL JOBS**								
New York State	8,650.1	8,861.7	- 211.6	- 2.4%	8,794.9	8,638.0	+ 156.9	+ 1.8%
Upstate New York*	3,124.0	3,198.8	- 74.8	- 2.3%	3,156.5	3,149.5	+ 7.0	+ 0.2%
Upstate excl. Hudson Valley	2,428.5	2,486.3	- 57.8	- 2.4%	2,450.3	2,472.4	- 22.1	- 0.9%
Albany-Schenectady-Troy	443.2	453.8	- 10.6	- 2.3%	450.9	437.6	+ 13.3	+ 3.0%
Binghamton	112.8	115.7	- 2.9	- 2.5%	114.9	119.0	- 4.1	- 3.4%
Buffalo-Niagara	545.4	559.2	- 13.8	- 2.5%	551.8	559.1	- 7.3	- 1.3%
Rochester	517.1	525.7	- 8.6	- 1.6%	517.2	530.9	- 13.7	- 2.6%
Syracuse	322.6	329.1	- 6.5	- 2.0%	324.6	325.8	- 1.2	- 0.4%
Utica-Rome	132.0	133.9	- 1.9	- 1.4%	133.2	136.7	- 3.5	- 2.6%
Pennsylvania	*5,663.5*	*5,830.5*	*- 167.0*	*- 2.9%*	*5,800.9*	*5,691.3*	*+ 109.6*	*+ 1.9%*
Massachusetts	*3,203.6*	*3,287.2*	*- 83.6*	*- 2.5%*	*3,285.0*	*3,329.3*	*- 44.3*	*- 1.3%*
U.S. (total)	*132,223.0*	*136,882.0*	*- 4,659.0*	*- 3.4%*	*137,066.0*	*131,785.0*	*+ 5,281.0*	*+ 4.0%*
PRIVATE-SECTOR JOBS								
New York State	7,133.7	7,328.5	- 194.8	- 2.7%	7,282.7	7,170.8	+ 111.9	+ 1.6%
Upstate New York	2,474.1	2,540.3	- 66.2	- 2.6%	2,508.3	2,531.6	- 23.3	- 0.9%
Upstate excl. Hudson Valley	1,937.2	1,989.5	- 52.3	- 2.7%	1,962.6	2,010.1	- 47.5	- 2.4%
Albany-Schenectady-Troy	337.8	345.4	- 7.6	- 2.2%	342.8	330.9	+ 11.9	+ 3.6%
Binghamton	86.8	89.9	- 3.1	- 3.4%	90.1	95.9	- 5.8	- 6.0%
Buffalo-Niagara	449.6	461.6	- 12.0	- 2.6%	456.7	468.4	- 11.7	- 2.5%
Rochester	432.4	442.1	- 9.7	- 2.2%	436.7	453.0	- 16.3	- 3.6%
Syracuse	262.7	268.8	- 6.1	- 2.3%	266.1	269.4	- 3.3	- 1.2%
Utica-Rome	97.0	99.3	- 2.3	- 2.3%	98.9	107.5	- 8.6	- 8.0%
Pennsylvania	*4,886.8*	*5,055.1*	*- 168.3*	*- 3.3%*	*5,051.6*	*4,966.2*	*+ 85.4*	*+ 1.7%*
Massachusetts	*2,765.3*	*2,837.2*	*- 71.9*	*- 2.5%*	*2,847.9*	*2,893.9*	*- 46.0*	*- 1.6%*
U.S. (total)	*109,247.0*	*113,852.0*	*- 4,605.0*	*- 4.0%*	*114,566.0*	*110,995.0*	*+ 3,571.0*	*+ 3.2%*
MANUFACTURING JOBS								
New York State	483.8	526.4	- 42.6	- 8.1%	534.1	750.8	- 216.7	- 28.9%
Upstate New York	299.5	325.7	- 26.2	- 8.0%	326.7	430.7	- 104.0	- 24.1%
Upstate excl. Hudson Valley	259.9	282.5	- 22.6	- 8.7%	283.2	372.9	- 89.7	- 31.7%
Albany-Schenectady-Troy	21.1	22.4	- 1.3	- 5.8%	22.5	28.5	- 6.0	- 21.1%
Binghamton	15.6	17.6	- 2.0	- 11.4%	17.7	23.2	- 5.5	- 23.7%
Buffalo-Niagara	53.0	57.8	- 4.8	- 8.3%	58.2	83.7	- 25.5	- 30.5%
Rochester	65.3	69.5	- 4.2	- 6.0%	70.1	102.7	- 32.6	- 31.7%
Syracuse	29.0	31.2	- 2.2	- 7.1%	31.7	44.5	- 12.8	- 28.8%
Utica-Rome	11.7	12.3	- 0.6	- 4.9%	12.5	18.8	- 6.3	- 33.5%
Pennsylvania	*567.8*	*633.0*	*- 65.2*	*- 10.3%*	*644.2*	*864.0*	*- 219.8*	*- 25.4%*
Massachusetts	*266.2*	*281.8*	*- 15.6*	*- 5.5%*	*286.2*	*403.1*	*- 116.9*	*- 29.0%*
U.S. (total)	*11,737.0*	*13,140.0*	*- 1,403.0*	*- 10.7%*	*13,431.0*	*17,263.0*	*- 3,832.0*	*- 22.2%*

* The Bureau of Labor Statistics does not publish data for Upstate New York as such. We calculate them here by taking the reported totals statewide, MINUS the job counts for New York City, Nassau, Suffolk, Westchester, Rockland and Putnam counties. For Upstate excl. Hudson Valley, we also subtract the Lower Hudson Valley region and Albany-Schenectady-Troy.
**Total jobs are Bureau of Labor Statistics Data for non-farm employment.

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Exhibit 170

THE WALL STREET JOURNAL.

SATURDAY/SUNDAY, JANUARY 9 - 10, 2010

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Exhibit __(FWR-3)

Economy Still Bleeding Jobs

85,000 Lost in December; Jobless Rate Holds at 10% as Discouraged Workers Give Up

BY JUSTIN LAHART

Employers cut another 85,000 jobs last month, dashing hopes of a turnaround in employment, even as the U.S. economy grows.

With December's losses, there were 7.2 million fewer jobs than in December 2007, when the recession began. Although the unemployment rate was unchanged at 10% from November, that's only because many workers stopped looking for work and weren't counted in the numbers. A broader measure of unemployment, including those who have quit job hunting as well as those working part time because they can't find full-time work, remained about the same at 17.3% in December from 17.2% in November.

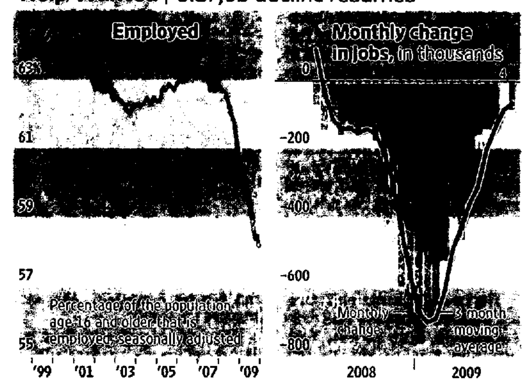
December's dismal job figures, reported by the Labor Department Friday, demonstrate that companies remain skittish about hiring even as their outlooks improve. Economic figures released so far suggest that gross domestic product—the broadest measure of the value of goods and services produced by the economy—grew at a 5.4% rate in the last three months of 2009, according to Macroeconomic Advisers, a St. Louis forecasting firm.

United Parcel Service Inc. raised its fourth-quarter earnings target Friday, but the shipping company also said it will

Please turn to page A5

■ Fallout of jobs data A4

Help Wanted | U.S. job decline resumes



Source: Labor Department

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Economy Shed 85,000 Jobs in December

Continued from Page One

cut 1,800 jobs. (See related article, B5)

"We've come to realize that with technology and management systems, we can manage larger geographic areas than ever before," said UPS spokesman Norman Black.

Even once jobs come back, the unemployment rate may continue to rise. To keep up with a growing population, the economy needs to add about 100,000 jobs a month just to keep the unemployment rate stable.

Moreover, many people have stopped looking for work in response to the poor jobs environment. As a result, they don't show up in the Labor Department's tally of the unemployed. In fact, a key reason why the unemployment rate didn't increase in December was that work force declined by 661,000. As a result, as the labor market improves, and people re-enter the work force and begin looking for work, the unemployment rate could rise.

Stocks edged higher Friday, with disappointment over the jobs report offset by expectations that the news would keep the Federal Reserve from raising rates. The Dow Jones Industrial Average rose 11.33 points to 10618.19.

The labor market isn't deteriorating nearly as quickly as in the first half of 2009, when it lost an average of 560,000 jobs a month. And most economists believe the economy will begin generating jobs within the next few months. Nevertheless, the economy has been growing since the middle of 2009, and the fact that job losses have continued for so long points to a tepid recovery in the labor market.

Revised figures showed that the economy added 4,000 jobs in November—the first month of job gains since the recession began—instead of the 11,000 job loss that was initially reported.

Prior to the 1990s, the job market tended to recover alongside the overall economy after recessions. But in the recoveries that began in 1992 and 2001, jobs were slow to return. That was partly because firms facing increased global competition became even more focused on keeping costs down. Improved technology allowed companies to produce more with fewer workers.

Rising corporate profit margins suggest that companies are keeping control over labor costs.

Rising profit margins and large productivity gains suggest that many companies are keeping tight control over labor costs—one reason Federal Reserve officials believe that this recovery, too, will produce spotty job growth in its early stages.

"The employment picture overall has improved, and the outlook is certainly much brighter than one year ago," Eric Rosengren, president of the Federal Reserve Bank of Boston, said in a speech Friday.

But he warned that "many firms are not yet ready to do new permanent hiring." Lackluster job growth means downward pressure on wages and inflation and gives the Fed room to keep rates low.

Manufacturers kept shedding jobs last month, though at a slower pace. Manufacturing payrolls fell by 27,000, compared with a drop of 35,000 a month earlier, the smallest loss in two years.

"We've gotten a little busier than six months ago, but it's nothing to be overly impressed with yet," said William Bachman, CEO of Bachman Machine Co. in St. Louis. The company, which makes plastic and metal parts mainly for the automotive industry, employs 89 workers, down from 125 a year ago.

Though Mr. Bachman believes business will continue to pick up, he doesn't expect to be hiring soon. "Not for the next three months, anyway," he said.

In the construction sector, hammered by the housing bust, the labor market worsened, with 53,000 jobs lost, compared with a November loss of 27,000. Nearly a third of the jobs lost were in the kinds of heavy-construction and engineering projects that much of the government's economic-stimulus efforts are directed at creating, said Michael Carey, an economist with Calyon Securities in New York. "It seems like it should be working the other way," he said.

Jeff Frankenfield's general-contractor business was growing by about 20% a year until October 2007. That's when "my phone stopped ringing," he says. "The consumer totally stopped spending money on remodeling." Now, instead of hiring and overseeing laborers to remodel homes in the San Francisco Bay area, he's doing such work himself, and earning about 30% less. "I kind of swallowed my pride because I need to pay bills," he says, adding that the competition for carpentry jobs is intense.

"People are shopping out the contractors," he says. "I did a job last year, a kitchen remodel, and the woman had nine estimates. Typically people get just two or three."

In brighter spots of the report, the temporary-help sector added workers for the fifth month, with 46,500 jobs gained. Gains in temporary employment often signal increases in overall hiring: Employers hire temps in the initial stages of recovery until they are confident the upturn will be sustained.

Tig Gilliam, CEO of Adecco North America, the largest staffing company in the U.S., said his firm is beginning to see more employers moving toward promoting temporary workers to full-time positions.

Sarah E. Needleman, Jon Hilsenrath and Jennifer Levitz contributed to this article.

WSJ.com

ONLINE TODAY: Track monthly unemployment since 1948 at **WSJ.com/US.**

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Exhibit 171

Exhibit__(FWR-4)

United States Department Of Labor
New York State Employment Statistics

Year	Period	labor force	employment	unemployment	unemployment rate
2004	Jan	9,335,163	8,739,969	595,194	6.4
2004	Feb	9,339,206	8,754,307	584,899	6.3
2004	Mar	9,356,208	8,770,609	585,599	6.3
2004	Apr	9,341,873	8,775,685	566,188	6.1
2004	May	9,344,152	8,795,163	548,989	5.9
2004	Jun	9,359,756	8,807,045	552,711	5.9
2004	Jul	9,362,360	8,824,129	538,231	5.7
2004	Aug	9,363,428	8,835,421	528,007	5.6
2004	Sep	9,371,160	8,850,818	520,342	5.6
2004	Oct	9,370,741	8,867,165	503,576	5.4
2004	Nov	9,376,556	8,879,858	496,698	5.3
2004	Dec	9,400,413	8,891,988	508,425	5.4
2005	Jan	9,385,304	8,897,147	488,157	5.2
2005	Feb	9,384,731	8,908,444	476,287	5.1
2005	Mar	9,367,218	8,917,705	449,513	4.8
2005	Apr	9,417,803	8,945,939	471,864	5.0
2005	May	9,433,860	8,950,606	483,254	5.1
2005	Jun	9,438,621	8,961,183	477,438	5.1
2005	Jul	9,453,573	8,975,545	478,028	5.1
2005	Aug	9,458,797	8,989,937	468,860	5.0
2005	Sep	9,485,261	9,003,958	481,303	5.1
2005	Oct	9,485,622	9,007,444	478,178	5.0
2005	Nov	9,499,612	9,019,956	479,656	5.0
2005	Dec	9,504,047	9,035,643	468,404	4.9
2006	Jan	9,510,825	9,048,625	462,200	4.9
2006	Feb	9,515,212	9,058,765	456,447	4.8
2006	Mar	9,533,014	9,070,450	462,564	4.9
2006	Apr	9,532,572	9,080,812	451,760	4.7
2006	May	9,530,292	9,087,458	442,834	4.6
2006	Jun	9,539,951	9,095,097	444,854	4.7
2006	Jul	9,543,823	9,094,528	449,295	4.7
2006	Aug	9,532,597	9,099,741	432,856	4.5
2006	Sep	9,528,324	9,105,557	422,767	4.4
2006	Oct	9,525,863	9,111,117	414,746	4.4
2006	Nov	9,532,747	9,119,203	413,544	4.3
2006	Dec	9,536,011	9,129,189	406,822	4.3
2007	Jan	9,549,262	9,131,715	417,547	4.4
2007	Feb	9,550,294	9,128,634	421,660	4.4
2007	Mar	9,545,763	9,130,523	415,240	4.3
2007	Apr	9,546,050	9,126,244	419,806	4.4
2007	May	9,568,141	9,136,565	431,576	4.5
2007	Jun	9,583,630	9,143,477	440,153	4.6
2007	Jul	9,584,698	9,138,453	446,245	4.7
2007	Aug	9,585,282	9,138,692	446,590	4.7
2007	Sep	9,581,787	9,143,522	438,265	4.6
2007	Oct	9,594,551	9,151,446	443,105	4.6
2007	Nov	9,597,439	9,156,246	441,193	4.6
2007	Dec	9,610,420	9,164,913	445,507	4.6
2008	Jan	9,620,784	9,166,949	453,835	4.7
2008	Feb	9,612,699	9,168,074	444,625	4.6
2008	Mar	9,631,336	9,165,944	465,392	4.8
2008	Apr	9,647,585	9,168,863	478,722	5.0
2008	May	9,667,195	9,166,835	500,360	5.2
2008	Jun	9,680,280	9,164,122	516,158	5.3
2008	Jul	9,691,152	9,167,854	523,298	5.4
2008	Aug	9,709,913	9,160,107	549,806	5.7
2008	Sep	9,712,435	9,149,151	563,284	5.8
2008	Oct	9,716,598	9,139,411	577,187	5.9
2008	Nov	9,731,708	9,122,125	609,583	6.3
2008	Dec	9,733,719	9,095,774	637,945	6.6
2009	Jan	9,689,161	9,015,590	673,571	7.0
2009	Feb	9,756,388	8,996,642	759,746	7.8
2009	Mar	9,762,516	8,999,197	763,319	7.8
2009	Apr	9,771,997	9,020,575	751,422	7.7
2009	May	9,771,413	8,971,680	799,733	8.2
2009	Jun	9,775,221	8,924,089	851,132	8.7
2009	Jul	9,741,365	8,906,422	834,943	8.6
2009	Aug	9,744,018	8,874,588	869,430	8.9
2009	Sep	9,734,029	8,866,729	867,300	8.9
2009	Oct	9,729,641	8,858,651	870,990	9.0

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Exhibit 172

Exhibit__(FWR-5)

The Upstate New York Labor Market Report: November 2009

This is the first issue of a new labor market report compiled by the New York State Department of Labor's Division of Research and Statistics, which focuses on statistics for the Upstate region of New York State. In this report, *Upstate* refers to the 52 counties in the state outside of New York City, Long Island, and Putnam, Rockland, Westchester counties.

Please note that all data presented in this labor market report are not seasonally adjusted. This type of data is most valuable in making year-to-year comparisons of the same month; for example, November 2008 versus November 2009.

Current Employment by Industry Data (not seasonally adjusted)

- Private sector employment in the 52-county Upstate New York region fell by 64,900, or 2.6 percent, to 2,464,900 for the 12-month period ending November 2009.

- Between November 2008 and November 2009, educational and health services (+10,300) was the only major private sector industry to add jobs in the Upstate region. Additional industry detail is provided in the table on the next page.

- Upstate's over-the-year rate of private sector job loss (-2.6 percent) was in line with the state (-2.7 percent) and the 10-county Downstate region (-2.7 percent), but better than the nation (-4.0 percent).

- If the 52-county Upstate region was a separate state, it would have ranked 26th in net change in private sector job count and 8th in percentage change in private sector jobs among all 50 states between November 2008 and November 2009.

- Private sector employment decreased in each of the five largest metropolitan areas in Upstate New York from November 2008 to November 2009. Over-the-year private sector job declines in these metro areas included: Poughkeepsie-Newburgh-Middletown (-3.1 percent), Buffalo-Niagara Falls (-2.6 percent), Syracuse (-2.3 percent), Albany-Schenectady-Troy (-2.2 percent) and Rochester (-2.2 percent).

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Change in Jobs by Sector, Upstate New York region,
November 2008 - November 2009 (not seasonally adjusted)

	Change in Jobs:	
	Number	**Percent**
Sector With Job Gains:		
Educational & Health Services	+10,300	+1.7
Sectors With Job Losses:		
Manufacturing	-24,600	-7.6
Trade, Transportation & Utilities	-18,400	-3.2
Natural Resources, Mining & Construction	-9,300	-7.1
Leisure & Hospitality	-8,200	-3.2
Professional & Business Services	-7,200	-2.3
Government	-3,700	-0.6
Information	-3,300	-6.2
Financial Activities	-3,200	-2.2
Other Services	-1,000	-0.8

Labor Force Data (not seasonally adjusted)

- The 52-county Upstate region's unemployment rate stood at 7.7 percent in November 2009, up from 6.1 percent in November 2008. The region's not seasonally adjusted unemployment rate in November 2009 was lower than in the state (8.4 percent), the 10-county Downstate region (8.8 percent), and the nation (9.4 percent).

- If the Upstate region was a separate state, it would have had the 20th lowest unemployment rate in November 2009 among all 50 states.

- Over the past year, the civilian labor force in the Upstate region declined by 20,100 or 0.6 percent. This percentage rate of decline was in line with the nation (-0.7 percent), but lagged the state (-0.2 percent) and the 10-county Downstate region (less than +0.1 percent).

- Between November 2008 and November 2009, the number of unemployed residents in the 52-county Upstate region increased by 55,000, or 25.6 percent, to 269,600. The region's rate of increase in the number of unemployed residents was smaller than in the 10-county Downstate region (+44.4 percent), the nation (+43.9 percent), and the state (+37.6 percent).

For additional regional labor market information prepared by the New York State Department of Labor's Division of Research and Statistics, be sure to visit: http://www.labor.state.ny.us/stats/regmap.shtm.

Exhibit 173

Exhibit__(FWR-6)

Escape from NY: More leave here than any other state, report says

BY ADAM SICHKO
THE BUSINESS REVIEW

New York has had more residents move out than any other state in the nation, according to a report issued this week.

The report, by the conservative **Empire Center for New York State Policy**, found that New York has had a net loss of 1.54 million residents to other states since 2000. That's equal to 8 percent of the state's population in 2000, the highest percentage loss any state has experienced this decade.

The report analyzed data from the U.S. Census Bureau and the Internal Revenue Service. It examines the movement of residents out of New York, as well as people moving into the state.

"What accounts for New York's chronic inability to attract and retain more Americans than it loses every year? Any attempt to answer that question must begin with New York's state and local tax burden," the report concludes.

Beyond that, reasons vary by region, the report says.

The Albany-Schenectady-Troy metro statistical area was the lone region of the state to gain residents—a total of 6,400 residents moving in from other areas, a gain of 0.8 percent.

Saratoga County accounts for most of the net gains, including former downstate residents who moved into the county, the report says.

Of the 11 Capital Region counties, only Montgomery and Columbia lost residents to other areas and states from 2000-08, the report found.

More than 80 percent of people moving out of the Albany area went to the South. The other 19 percent moved to the West.

See www.empirecenter.org.

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Exhibit 174

STANDARD
&POOR'S

Global Credit Portal
RatingsDirect®

March 29, 2010

Central Hudson Gas & Electric Corp.

Primary Credit Analyst:
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Central Hudson Gas & Electric Corp.

Major Rating Factors

Corporate Credit Rating

A/Stable/NR

Strengths:

- A supportive regulatory environment;
- Low operating risk; and
- An above-average competitive position.

Weaknesses:

- Parent CH Energy Group Inc.'s higher-risk non-regulated businesses.

Rationale

The ratings on regulated electric and gas transmission and distribution (T&D) utility Central Hudson Gas & Electric Corp. (CHG&E) are based on the consolidated credit profile of holding company CH Energy Group Inc. (not rated), which incorporate the parent's non-regulated segments, Central Hudson Enterprises Corp. (CHEC) and Griffith Energy Services Inc. Poughkeepsie, N.Y.-based CHG&E accounts for almost 80% of consolidated CH Energy's revenue and roughly 95% of operating income.

CHG&E's excellent business risk profile reflects its low-operating-risk electric T&D operations, a credit supportive regulatory environment, a small service territory with modest customer growth and diversity, and an above-average competitive position. CHG&E serves about 375,000 customers in eight counties of New York state's mid-Hudson river valley. The company's 2,600 square-mile service territory includes the cities of Poughkeepsie, Beacon, Newburgh, and Kingston, as well as the surrounding areas. Residential and commercial customers contribute about 85% of revenues. Industrial exposure is not material. The customer base reflects a diversified economy with good prospects for customer growth. CHG&E also owns several small, regulated generation facilities with less than 70 MW of capacity and which represent less than 5% of its peak load requirements.

In February 2010, the company, along with the staff of the New York Public Service Commission (NYPSC) and multiple interveners, reached a three-year settlement in CHG&E's pending rate case filing. Under the terms of the settlement, electric rates would increase by $30.2 million in a phased manner ($11.8 million July 2010; $9.3 July 2011; and $9.1 July 2012) and natural gas delivery rates by $9.7 million ($5.7 million July 2010; $2.4 million July 2011; and $1.6 million July 2012). The new rates reflect an ROE of 10% and an equity ratio of 48%. The electric rate increase would be offset by a $12 million and $4 million in customer bill credit in rate years one and two, respectively, starting in July 2010. The settlement also includes a revenue decoupling mechanism, which can mitigate the effects of declining usage but which does not address gross margins. The settlement also includes other constructive elements such as the continuation of the existing gas and electric supply cost recovery mechanisms, and continued deferral authorization for pensions and OPEBs, earnings sharing, and a new shared property tax deferral. The NYPSC is expected to issue an order in the second quarter of 2010 with new rates expected to go into effect in July 2010.

CHEC owns various non-regulated activities that contribute to increased business risk and which pressure CHG&E's credit profile. Griffith provides fuel distribution and heating, ventilation and air conditioning installation and maintenance. In addition, CHEC owns a number of unregulated renewable energy generation projects including biomass (19 MW), wind generation (31.5 MW), and ethanol production. While these investments contribute less than 10% of operating income they are viewed as having significantly higher business risk compared to the regulated utility operations.

In December 2009, Griffith sold approximately 43% of its assets for $74 million as part of a strategic streamlining which should reduce some of its cash flow volatility. CH Energy used a portion of the proceeds from the sale to fund a $50 million 20 MW wind farm investment in Wisconsin. The construction is expected to be completed in the fourth quarter of 2010 and the facility will operate under a 20-year PPA with Wisconsin Public Service Corp. (A-/Stable/A-2).

CHG&E's financial risk profile is significant, reflecting the financial profile of its parent, CH Energy. As of Dec. 31, 2009, CH Energy's adjusted debt, including capitalized operating leases and tax-effected pension and postretirement obligations, was about $635 million, leading to adjusted debt to capital of 53.3%. The company's cash flow generation strengthened in the second half of 2009, as a result of new rates that went into effect on July 1, 2009 combined with significant fuel cost recoveries. As of Dec. 31, 2009, CH Energy's consolidated funds from operations (FFO) was $113 million, including about $28 million of fuel cost recoveries, leading to adjusted FFO to total debt of 18% and adjusted FFO interest coverage of 3.9x. While these credit measures are adequate, they provide the company with little cushion at the current rating level. CHG&E's timely fuel cost recovery is very important in supporting the overall credit profile.

Short-term credit factors

CHG&E's liquidity position reflects that of the consolidated entity. CH Energy has an adequate liquidity position that is supported by the company's significant cash balance and sufficient availability on its revolving credit facility. As of Dec. 31, 2009, the consolidated entity had $73.4 million in cash and cash equivalents. CH Energy has a $150 million revolving credit facility expiring in April 2013 and CHG&E has its own $125 million revolving credit facility that expires in January 2012. As of Dec. 31, 2009, both facilities were fully available. CH Energy has a manageable debt maturity schedule with $24 million due in 2010 and $37 million due in 2012.

Outlook

The stable outlook on CHG&E reflects our expectation that the company will continue to effectively manage its regulatory relationships leading to constructive regulatory outcomes, some modest improvement in credit protection measures as a result of ongoing timely fuel cost recoveries and the revenue decoupling mechanism, and no meaningful increase in business risk due to further unregulated activities at the parent level. Should business risk increase because unregulated activities expand rapidly or contribute disproportionately to the consolidated credit profile or consolidated credit metrics weaken such that adjusted FFO to interest is less than 4.0x, adjusted FFO to total debt is less than 19%, and adjusted total debt to total capital is higher than 54%, then we will lower the ratings. Given the overall business and financial risk profiles, we're currently not contemplating a higher rating.

Accounting

CH Energy's financial statements are prepared under U.S. GAAP and audited by independent auditors PricewaterhouseCoopers LLP that issued an unqualified opinion for 2009.

Standard & Poor's makes several adjustments to CH Energy's consolidated reported financial numbers. As of the end of 2009, Standard & Poor's adds about $12 million in debt equivalent corresponding to operating leases, with $700,000 in interest expense, and $2.1 million to depreciation.

CH Energy has adopted SFAS No. 158, which requires companies as pension fund sponsors to recognize on their balance sheet the funded status of the plans. Standard & Poor's adds $130 million as off-balance-sheet debt to reflect the pension funding shortfall.

Table 1.

CH Energy Group Inc. -- Peer Comparison*

Industry Sector: Combo

	CH Energy Group Inc.	NSTAR	Consolidated Edison Inc.
Rating as of March 21, 2010	-/-/-	A+/Stable/A-1	A-/Stable/A-2
	--Average of past three fiscal years--		
(Mil. $)			
Revenues	1,153.7	3,037.7	13,245.0
Net income from cont. oper.	37.4	234.4	908.7
Funds from operations (FFO)	107.5	533.2	1,635.7
Capital expenditures	99.7	393.8	2,148.9
Cash and short-term investments	36.0	66.5	181.3
Debt	590.2	3,055.6	12,399.8
Preferred stock	21.0	21.5	106.5
Equity	549.1	1,809.7	9,591.9
Debt and equity	1,139.4	4,865.3	21,991.7
Adjusted ratios			
EBIT interest coverage (x)	3.9	3.6	3.1
FFO int. cov. (X)	4.5	4.3	3.6
FFO/debt (%)	18.2	17.5	13.2
Discretionary cash flow/debt (%)	(6.6)	(3.2)	(8.9)
Net cash flow / capex (%)	73.3	97.5	48.3
Total debt/debt plus equity (%)	51.8	62.8	56.4
Return on common equity (%)	7.1	13.3	9.5
Common dividend payout ratio (un-adj.) (%)	91.8	65.1	69.2

*Fully adjusted (including postretirement obligations).

Table 2.

CH Energy Group Inc. -- Financial Summary*

Industry Sector: Combo

	--Fiscal year ended Dec. 31--				
	2009	**2008**	**2007**	**2006**	**2005**
Rating history	--/--/--	--/--/--	--/--/--	--/--/--	--/--/--
(Mil. $)					
Revenues	931.6	1,332.9	1,196.8	993.4	972.5
Net income from continuing operations	34.6	35.1	42.6	43.1	44.3
Funds from operations (FFO)	112.9	107.6	101.9	85.2	98.2

Table 2.

CH Energy Group Inc. -- Financial Summary* (cont.)					
Capital expenditures	123.4	84.2	91.3	79.4	67.6
Cash and short-term investments	73.4	19.8	14.9	66.7	91.5
Debt	635.4	628.7	506.4	471.7	480.4
Preferred stock	21.0	21.0	21.0	21.0	21.0
Equity	555.9	546.0	545.5	535.4	405.4
Debt and equity	1,191.4	1,174.8	1,051.9	1,007.1	885.8
Adjusted ratios					
EBIT interest coverage (x)	3.6	3.6	4.6	4.8	5.6
FFO int. cov. (x)	3.9	4.8	5.1	4.8	5.5
FFO/debt (%)	17.8	17.1	20.1	18.1	20.4
Discretionary cash flow/debt (%)	(5.4)	0.1	(16.5)	(3.7)	(10.5)
Net Cash Flow / Capex (%)	63.0	87.3	74.3	64.5	94.8
Debt/debt and equity (%)	53.3	53.5	48.1	46.8	54.2
Return on common equity (%)	6.4	6.7	8.2	8.5	8.9
Common dividend payout ratio (un-adj.) (%)	101.4	97.2	79.9	79.0	76.9

*Fully adjusted (including postretirement obligations).

Table 3.

Reconciliation Of CH Energy Group Inc. Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)*

--Fiscal year ended Dec. 31, 2009--

CH Energy Group Inc. reported amounts	Debt	Operating income (before D&A)	Operating income (before D&A)	Operating income (after D&A)	Interest expense	Cash flow from operations	Cash flow from operations	Capital expenditures
Reported	487.9	118.1	118.1	80.4	25.8	126.4	126.4	123.1
Standard & Poor's adjustments								
Operating leases	12.0	2.8	0.7	0.7	0.7	2.1	2.1	0.3
Postretirement benefit obligations	129.5	40.3	40.3	40.3	7.7	5.8	5.8	--
Accrued interest not included in reported debt	6.1	--	--	--	--	--	--	--
Share-based compensation expense	--	--	1.8	--	--	--	--	--
Reclassification of nonoperating income (expenses)	--	--	--	1.5	--	--	--	--
Reclassification of working-capital cash flow changes	--	--	--	--	--	--	(11.6)	--
Other	--	--	--	--	--	(9.9)	(9.9)	--
Total adjustments	147.5	43.1	42.8	42.5	8.4	(1.9)	(13.5)	0.3

Table 3.

Reconciliation Of CH Energy Group Inc. Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)* (cont.)

Standard & Poor's adjusted amounts

	Debt	Operating income (before D&A)	EBITDA	EBIT	Interest expense	Cash flow from operations	Funds from operations	Capital expenditures
Adjusted	635.4	161.2	160.9	122.9	34.2	124.5	112.9	123.4

*CH Energy Group Inc. reported amounts shown are taken from the company's financial statements but might include adjustments made by data providers or reclassifications made by Standard & Poor's analysts. Please note that two reported amounts (operating income before D&A and cash flow from operations) are used to derive more than one Standard & Poor's-adjusted amount (operating income before D&A and EBITDA, and cash flow from operations and funds from operations, respectively). Consequently, the first section in some tables may feature duplicate descriptions and amounts.

Ratings Detail (As Of March 29, 2010)*

Central Hudson Gas & Electric Corp.	
Corporate Credit Rating	A/Stable/NR
Senior Unsecured (16 Issues)	A
Corporate Credit Ratings History	
12-May-2003	A/Stable/NR
14-Dec-2001	A/Positive/NR
08-Aug-2000	A/Watch Pos/NR
Business Risk Profile	Excellent
Financial Risk Profile	Significant

*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's credit ratings on a national scale are relative to obligors or obligations within that specific country.

Exhibit 175

New York State Electric & Gas Corporation
Rochester Gas and Electric Corporation

PSC Case No. 09-E-0715
PSC Case No. 09-G-0716
PSC Case No. 09-E-0717
PSC Case No. 09-G-0718

Information Request

Requesting Party and No.: C. Dickens (DPS-4)

NYRC Response No.: NYRC-0004 (DPS-4) SUPPLEMENTAL

Request Date: October 13, 2009

Information Requested of: Depreciation Panel

Reply Date: October 19, 2009
Supplemental Date: November 30, 2009

Responsible Witness: Depreciation Panel

QUESTION:

Rolling and Shrinking Bands

1. Please provide the rolling and shrinking band analyses for the RG&E depreciation study.

ORIGINAL RESPONSE:

The RG&E - Electric rolling and shrinking band analysis was provided with the depreciation study workpapers in files identified as "RG&E-Elect-Rolling Band Anal" and "RG&E-Elect Shrinking Band Anal".

The RG&E - Gas rolling and shrinking band analysis was provided with the depreciation study workpapers in files identified as "RG&E-Gas-Rolling Band Anal" and "RG&E-Gas-Shrinking Band Anal".

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The RG&E - Common rolling and shrinking band analysis was provided with the depreciation study workpapers in files identified as “RG&E-Common-Rolling Band Anal” and “RG&E-Common-Shrinking Band Anal”.

SUPPLEMENTAL RESPONSE:

See attached files.

Exhibit 176

Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 30 Years

Observed Life Table

Retirement Expr. **2001 - 2008**
Placement Years **1885 - 2008**
Max Exposure Age 30
Life Table % Surviving 87.5
Sum Of Life Tabl 27.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	167-O3	63.53	125-O1	198.49
2	102-O1	64.57	125-SC	198.49
3	102-SC	64.57	141-O2	198.73
4	114-O2	64.63	102-R0.5	226.42
5	82-R0.5	69.61	83-R1	292.76
6	65-R1	84.41	175-O3	302.26
7	77-S.5	88.35	98-S.5	309.59
8	85-L0	110.41	109-L0	388.91
9	55-R1.5	115.95	71-R1.5	402.55
10	71-L0.5	152.26	93-L0.5	508.46
11	61-S0	179.10	80-S0	579.72
12	47-R2	200.11	63-R2	634.56
13	53-S0.5	251.78	71-S0.5	755.62
14	60-L1	266.39	81-L1	784.05
15	175-O4	283.98	57-R2.5	869.16
16	42-R2.5	300.52	72-L1.5	949.30
17	53-L1.5	337.67	64-S1	1078.20
18	48-S1	400.13	53-R3	1260.40
19	39-R3	486.43	60-S1.5	1285.00
20	44-S1.5	501.39	65-L2	1321.60
21	48-L2	518.76	175-O4	1588.90
22	41-S2	693.99	56-S2	1652.60
23	41-L3	799.23	56-L3	1853.30
24	35-R4	868.44	49-R4	1970.30
25	37-S3	996.17	52-S3	2190.10
26	36-L4	1054.90	50-L4	2303.50
27	35-S4	1350.20	48-S4	2782.10
28	33-R5	1370.00	46-R5	2830.40
29	34-L5	1402.80	47-L5	2877.90
30	33-S5	1623.60	46-S5	3230.50
31	32-S6	1850.90	44-S6	3563.50
32	30-SQ	2231.60	0-SQ	0000.00

Observed Life Table

Retirement Expr. **2004 - 2008**
Placement Years **1885 - 2008**
Max Exposure Age 30
Life Table % Surviving 82.4
Sum Of Life Tabl 26.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	152-O4	229.68	0-L0	0000.00
2	110-O3	232.50	0-L0.5	0000.00
3	76-O2	238.99	0-L1	0000.00
4	68-O1	239.14	0-L1.5	0000.00
5	68-SC	239.14	0-L2	0000.00
6	56-R0.5	263.17	0-L3	0000.00
7	55-S.5	316.63	0-L4	0000.00
8	47-R1	328.97	0-L5	0000.00
9	62-L0	348.56	0-O1	0000.00
10	42-R1.5	454.22	0-O2	0000.00
11	54-L0.5	481.03	0-O3	0000.00
12	47-S0	523.16	0-O4	0000.00
13	38-R2	702.11	0-R0.5	0000.00
14	43-S0.5	715.50	0-R1	0000.00
15	49-L1	743.86	0-R1.5	0000.00
16	44-L1.5	951.54	0-R2	0000.00
17	36-R2.5	971.89	0-R2.5	0000.00
18	40-S1	1036.10	0-R3	0000.00
19	38-S1.5	1301.40	0-R4	0000.00
20	41-L2	1375.90	0-R5	0000.00
21	34-R3	1398.20	0-S.5	0000.00
22	36-S2	1715.80	0-S0	0000.00
23	37-L3	2050.40	0-S0.5	0000.00
24	32-R4	2221.10	0-S1	0000.00
25	34-S3	2405.50	0-S1.5	0000.00
26	34-L4	2645.10	0-S2	0000.00
27	33-S4	3218.00	0-S3	0000.00
28	31-R5	3357.50	0-S4	0000.00
29	32-L5	3389.50	0-S5	0000.00
30	32-S5	3858.80	0-S6	0000.00
31	31-S6	4312.00	0-SC	0000.00
32	30-SQ	5169.20	0-SQ	0000.00

Observed Life Table

Retirement Expr. **2003 - 2007**
Placement Years **1885 - 2007**
Max Exposure Age 30
Life Table % Surviving 97.2
Sum Of Life Tabl 29.2

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	113-R2.5	1.66	0-L0	0000.00
2	160-R2	1.72	0-L0.5	0000.00
3	160-L1	1.91	0-L1	0000.00
4	124-L1.5	2.56	0-L1.5	0000.00
5	140-S0.5	2.85	0-L2	0000.00
6	77-R3	2.86	0-L3	0000.00
7	175-S0	3.03	0-L4	0000.00
8	99-S1	5.15	0-L5	0000.00
9	90-L2	5.37	0-O1	0000.00
10	83-S1.5	5.71	0-O2	0000.00
11	52-R4	8.90	0-O3	0000.00
12	63-L3	9.28	0-O4	0000.00
13	67-S2	9.30	0-R0.5	0000.00
14	52-S3	14.28	0-R1	0000.00
15	175-R1.5	15.63	0-R1.5	0000.00
16	49-L4	16.26	0-R2	0000.00
17	40-R5	21.27	0-R2.5	0000.00
18	42-S4	21.86	0-R3	0000.00
19	175-L0.5	23.25	0-R4	0000.00
20	41-L5	23.93	0-R5	0000.00
21	37-S5	28.71	0-S.5	0000.00
22	34-S6	35.28	0-S0	0000.00
23	30-SQ	51.18	0-S0.5	0000.00
24	175-R1	68.16	0-S1	0000.00
25	175-L0	106.52	0-S1.5	0000.00
26	175-S.5	107.67	0-S2	0000.00
27	175-R0.5	201.23	0-S3	0000.00
28	175-O1	405.69	0-S4	0000.00
29	175-SC	405.69	0-S5	0000.00
30	175-O2	551.07	0-S6	0000.00
31	175-O3	1407.90	0-SC	0000.00
32	175-O4	2968.00	0-SQ	0000.00

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Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC
Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 30 Years

Observed Life Table

Retirement Expr. **2002 - 2006**
Placement Years **1885 - 2006**
Max Exposure Age 30
Life Table % Surviving 96.2
Sum Of Life Tabl 29.2

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	72-R3	2.91	0-L0	0000.00
2	115-L1.5	3.09	0-L0.5	0000.00
3	148-L1	3.28	0-L1	0000.00
4	130-S0.5	3.55	0-L1.5	0000.00
5	103-R2.5	3.69	0-L2	0000.00
6	171-S0	3.75	0-L3	0000.00
7	94-S1	4.37	0-L4	0000.00
8	85-L2	4.51	0-L5	0000.00
9	145-R2	4.56	0-O1	0000.00
10	79-S1.5	4.60	0-O2	0000.00
11	50-R4	6.88	0-O3	0000.00
12	60-L3	7.24	0-O4	0000.00
13	64-S2	7.25	0-R0.5	0000.00
14	50-S3	11.95	0-R1	0000.00
15	175-R1.5	13.42	0-R1.5	0000.00
16	47-L4	13.88	0-R2	0000.00
17	175-L0.5	17.49	0-R2.5	0000.00
18	39-R5	19.49	0-R3	0000.00
19	41-S4	20.25	0-R4	0000.00
20	40-L5	22.38	0-R5	0000.00
21	37-S5	30.29	0-S.5	0000.00
22	34-S6	40.65	0-S0	0000.00
23	175-R1	58.67	0-S0.5	0000.00
24	30-SQ	67.43	0-S1	0000.00
25	175-L0	90.55	0-S1.5	0000.00
26	175-S.5	93.81	0-S2	0000.00
27	175-R0.5	182.21	0-S3	0000.00
28	175-O1	377.13	0-S4	0000.00
29	175-SC	377.13	0-S5	0000.00
30	175-O2	516.97	0-S6	0000.00
31	175-O3	1350.80	0-SC	0000.00
32	175-O4	2883.60	0-SQ	0000.00

Observed Life Table

Retirement Expr. **2001 - 2005**
Placement Years **1885 - 2005**
Max Exposure Age 30
Life Table % Surviving 91.8
Sum Of Life Tabl 29.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	39-S4	20.55	99-S0.5	72.64
2	46-S3	20.67	94-L1.5	74.62
3	45-R4	21.54	111-L1	75.13
4	37-R5	21.72	120-S0	77.38
5	43-L4	22.08	83-S1	78.58
6	37-L5	22.56	75-R2.5	80.91
7	53-L3	25.09	144-L0.5	88.59
8	57-S2	25.96	90-R2	90.40
9	35-S5	29.11	64-R3	91.70
10	68-S1.5	31.64	74-S1.5	94.53
11	72-L2	33.66	79-L2	98.78
12	60-R3	34.43	175-L0	101.47
13	80-S1	34.79	119-R1.5	113.23
14	95-L1.5	39.52	175-S.5	117.97
15	106-S0.5	42.76	155-R1	125.28
16	119-L1	43.82	66-S2	142.80
17	137-S0	46.33	175-R0.5	171.75
18	81-R2.5	46.87	63-L3	172.49
19	175-L0.5	51.18	55-R4	201.78
20	109-R2	53.16	57-S3	260.90
21	33-S6	58.09	54-L4	277.49
22	169-R1.5	58.76	175-O1	383.84
23	175-R1	77.23	175-SC	383.84
24	175-L0	87.30	51-S4	458.13
25	175-S.5	96.69	49-R5	463.79
26	175-R0.5	165.30	50-L5	488.97
27	30-SQ	181.06	175-O2	587.32
28	175-O1	324.75	48-S5	640.42
29	175-SC	324.75	45-S6	776.85
30	175-O2	444.09	175-O3	2080.80
31	175-O3	1192.90	0-O4	0000.00
32	175-O4	2624.00	0-SQ	0000.00

Rochester Gas & Electric

Gas Plant

376.20 MAINS - PLASTIC

Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 30 Years

Observed Life Table

Retirement Expr. 2001 - 2008
Placement Years 1885 - 2008
Max Exposure Age 30
Life Table % Surviving 87.5
Sum Of Life Tabl 27.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	167-O3	63.53	125-O1	198.49
2	102-O1	64.57	125-SC	198.49
3	102-SC	64.57	141-O2	198.73
4	114-O2	64.63	102-R0.5	226.42
5	82-R0.5	69.61	83-R1	292.76
6	65-R1	84.41	175-O3	302.26
7	77-S.5	88.35	98-S.5	309.59
8	85-L0	110.41	109-L0	388.91
9	55-R1.5	115.95	71-R1.5	402.55
10	71-L0.5	152.26	93-L0.5	508.46
11	61-S0	179.10	80-S0	579.72
12	47-R2	200.11	63-R2	634.56
13	53-S0.5	251.78	71-S0.5	755.62
14	60-L1	266.39	81-L1	784.05
15	175-O4	283.98	57-R2.5	869.16
16	42-R2.5	300.52	72-L1.5	949.30
17	53-L1.5	337.67	64-S1	1078.20
18	48-S1	400.13	53-R3	1260.40
19	39-R3	486.43	60-S1.5	1285.00
20	44-S1.5	501.39	65-L2	1321.60
21	48-L2	518.76	175-O4	1588.90
22	41-S2	693.99	56-S2	1652.60
23	41-L3	799.23	56-L3	1853.30
24	35-R4	868.44	49-R4	1970.30
25	37-S3	996.17	52-S3	2190.10
26	36-L4	1054.90	50-L4	2303.50
27	35-S4	1350.20	48-S4	2782.10
28	33-R5	1370.00	46-R5	2830.40
29	34-L5	1402.80	47-L5	2877.90
30	33-S5	1623.60	46-S5	3230.50
31	32-S6	1850.90	44-S6	3563.50
32	30-SQ	2231.60	0-SQ	0000.00

Observed Life Table

Retirement Expr. 2002 - 2008
Placement Years 1885 - 2008
Max Exposure Age 30
Life Table % Surviving 86.4
Sum Of Life Tabl 27.2

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	152-O3	81.83	0-L0	0000.00
2	93-O1	83.30	0-L0.5	0000.00
3	93-SC	83.30	0-L1	0000.00
4	105-O2	83.36	0-L1.5	0000.00
5	76-R0.5	90.21	0-L2	0000.00
6	61-R1	109.98	0-L3	0000.00
7	71-S.5	113.52	0-L4	0000.00
8	79-L0	138.14	0-L5	0000.00
9	51-R1.5	152.91	0-O1	0000.00
10	175-O4	190.79	0-O2	0000.00
11	67-L0.5	191.82	0-O3	0000.00
12	57-S0	221.11	0-O4	0000.00
13	45-R2	259.26	0-R0.5	0000.00
14	51-S0.5	310.41	0-R1	0000.00
15	58-L1	328.88	0-R1.5	0000.00
16	41-R2.5	383.65	0-R2	0000.00
17	51-L1.5	418.16	0-R2.5	0000.00
18	46-S1	484.92	0-R3	0000.00
19	38-R3	605.77	0-R4	0000.00
20	43-S1.5	611.17	0-R5	0000.00
21	46-L2	636.03	0-S.5	0000.00
22	40-S2	836.53	0-S0	0000.00
23	40-L3	973.28	0-S0.5	0000.00
24	35-R4	1056.20	0-S1	0000.00
25	37-S3	1197.30	0-S1.5	0000.00
26	36-L4	1285.80	0-S2	0000.00
27	34-S4	1612.80	0-S3	0000.00
28	33-R5	1659.10	0-S4	0000.00
29	33-L5	1696.10	0-S5	0000.00
30	33-S5	1963.70	0-S6	0000.00
31	32-S6	2238.70	0-SC	0000.00
32	30-SQ	2677.40	0-SQ	0000.00

Observed Life Table

Retirement Expr. 2003 - 2008
Placement Years 1885 - 2008
Max Exposure Age 30
Life Table % Surviving 84.3
Sum Of Life Tabl 26.8

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	130-O3	131.00	0-L0	0000.00
2	175-O4	132.45	0-L0.5	0000.00
3	89-O2	133.99	0-L1	0000.00
4	79-O1	134.02	0-L1.5	0000.00
5	79-SC	134.02	0-L2	0000.00
6	65-R0.5	146.18	0-L3	0000.00
7	54-R1	181.20	0-L4	0000.00
8	63-S.5	181.31	0-L5	0000.00
9	70-L0	210.21	0-O1	0000.00
10	46-R1.5	253.70	0-O2	0000.00
11	60-L0.5	293.68	0-O3	0000.00
12	52-S0	327.71	0-O4	0000.00
13	41-R2	414.62	0-R0.5	0000.00
14	47-S0.5	457.22	0-R1	0000.00
15	53-L1	481.90	0-R1.5	0000.00
16	38-R2.5	595.34	0-R2	0000.00
17	48-L1.5	616.39	0-R2.5	0000.00
18	43-S1	690.75	0-R3	0000.00
19	40-S1.5	870.67	0-R4	0000.00
20	36-R3	898.09	0-R5	0000.00
21	44-L2	917.33	0-S.5	0000.00
22	38-S2	1173.00	0-S0	0000.00
23	38-L3	1389.30	0-S0.5	0000.00
24	33-R4	1505.60	0-S1	0000.00
25	35-S3	1669.50	0-S1.5	0000.00
26	35-L4	1811.70	0-S2	0000.00
27	33-S4	2241.90	0-S3	0000.00
28	32-R5	2308.60	0-S4	0000.00
29	33-L5	2355.10	0-S5	0000.00
30	32-S5	2691.40	0-S6	0000.00
31	31-S6	3047.80	0-SC	0000.00
32	30-SQ	3699.20	0-SQ	0000.00

Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC
Summary of Curve Fitting Results
Shrinking Band
T-Cut Age 30 Years

Observed Life Table

Retirement Expr. 2004 - 2008
Placement Years 1885 - 2008
Max Exposure Age 30
Life Table % Surviving 82.4
Sum Of Life Tabl 26.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	152-O4	229.68	0-L0	0000.00
2	110-O3	232.50	0-L0.5	0000.00
3	76-O2	238.99	0-L1	0000.00
4	68-O1	239.14	0-L1.5	0000.00
5	68-SC	239.14	0-L2	0000.00
6	56-R0.5	263.17	0-L3	0000.00
7	55-S.5	316.63	0-L4	0000.00
8	47-R1	328.97	0-L5	0000.00
9	62-L0	348.56	0-O1	0000.00
10	42-R1.5	454.22	0-O2	0000.00
11	54-L0.5	481.03	0-O3	0000.00
12	47-S0	523.16	0-O4	0000.00
13	38-R2	702.11	0-R0.5	0000.00
14	43-S0.5	715.50	0-R1	0000.00
15	49-L1	743.86	0-R1.5	0000.00
16	44-L1.5	951.54	0-R2	0000.00
17	36-R2.5	971.89	0-R2.5	0000.00
18	40-S1	1036.10	0-R3	0000.00
19	38-S1.5	1301.40	0-R4	0000.00
20	41-L2	1375.90	0-R5	0000.00
21	34-R3	1398.20	0-S.5	0000.00
22	36-S2	1715.80	0-S0	0000.00
23	37-L3	2050.40	0-S0.5	0000.00
24	32-R4	2221.10	0-S1	0000.00
25	34-S3	2405.50	0-S1.5	0000.00
26	34-L4	2645.10	0-S2	0000.00
27	33-S4	3218.00	0-S3	0000.00
28	31-R5	3357.50	0-S4	0000.00
29	32-L5	3389.50	0-S5	0000.00
30	32-S5	3858.80	0-S6	0000.00
31	31-S6	4312.00	0-SC	0000.00
32	30-SQ	5169.20	0-SQ	0000.00

Observed Life Table

Retirement Expr. 2005 - 2008
Placement Years 1885 - 2008
Max Exposure Age 30
Life Table % Surviving 79.4
Sum Of Life Tabl 25.7

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	129-O4	360.95	0-L0	0000.00
2	93-O3	365.64	0-L0.5	0000.00
3	65-O2	377.22	0-L1	0000.00
4	58-O1	377.42	0-L1.5	0000.00
5	58-SC	377.42	0-L2	0000.00
6	49-R0.5	416.76	0-L3	0000.00
7	48-S.5	481.76	0-L4	0000.00
8	55-L0	503.76	0-L5	0000.00
9	42-R1	521.68	0-O1	0000.00
10	49-L0.5	689.35	0-O2	0000.00
11	38-R1.5	714.58	0-O3	0000.00
12	42-S0	742.79	0-O4	0000.00
13	39-S0.5	1008.60	0-R0.5	0000.00
14	44-L1	1020.30	0-R1	0000.00
15	36-R2	1063.90	0-R1.5	0000.00
16	41-L1.5	1326.30	0-R2	0000.00
17	37-S1	1422.10	0-R2.5	0000.00
18	34-R2.5	1443.60	0-R3	0000.00
19	36-S1.5	1801.00	0-R4	0000.00
20	39-L2	1898.00	0-R5	0000.00
21	33-R3	2016.10	0-S.5	0000.00
22	34-S2	2341.10	0-S0	0000.00
23	35-L3	2838.40	0-S0.5	0000.00
24	31-R4	3100.80	0-S1	0000.00
25	33-S3	3287.70	0-S1.5	0000.00
26	33-L4	3680.50	0-S2	0000.00
27	32-S4	4397.00	0-S3	0000.00
28	31-R5	4613.10	0-S4	0000.00
29	32-L5	4711.50	0-S5	0000.00
30	31-S5	5265.70	0-S6	0000.00
31	31-S6	5999.30	0-SC	0000.00
32	30-SQ	7164.70	0-SQ	0000.00

Observed Life Table

Retirement Expr. 2006 - 2008
Placement Years 1885 - 2008
Max Exposure Age 30
Life Table % Surviving 70.7
Sum Of Life Tabl 24.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	87-O4	759.02	0-L0	0000.00
2	63-O3	778.44	0-L0.5	0000.00
3	45-O2	828.50	0-L1	0000.00
4	40-O1	828.57	0-L1.5	0000.00
5	40-SC	828.57	0-L2	0000.00
6	36-R0.5	978.31	0-L3	0000.00
7	41-L0	1020.60	0-L4	0000.00
8	36-S.5	1064.20	0-L5	0000.00
9	33-R1	1302.00	0-O1	0000.00
10	38-L0.5	1381.50	0-O2	0000.00
11	34-S0	1543.70	0-O3	0000.00
12	31-R1.5	1794.70	0-O4	0000.00
13	35-L1	1907.70	0-R0.5	0000.00
14	32-S0.5	2084.10	0-R1	0000.00
15	30-R2	2527.00	0-R1.5	0000.00
16	34-L1.5	2623.00	0-R2	0000.00
17	31-S1	2828.70	0-R2.5	0000.00
18	30-R2.5	3379.70	0-R3	0000.00
19	31-S1.5	3618.10	0-R4	0000.00
20	33-L2	3672.50	0-R5	0000.00
21	29-R3	4450.20	0-S.5	0000.00
22	30-S2	4590.10	0-S0	0000.00
23	31-L3	5651.60	0-S0.5	0000.00
24	30-S3	6487.30	0-S1	0000.00
25	29-R4	6541.30	0-S1.5	0000.00
26	30-L4	7518.80	0-S2	0000.00
27	29-S4	8730.30	0-S3	0000.00
28	29-R5	9412.40	0-S4	0000.00
29	30-L5	9523.60	0-S5	0000.00
30	29-S5	0630.00	0-S6	0000.00
31	30-S6	2113.00	0-SC	0000.00
32	30-SQ	4783.00	0-SQ	0000.00

Rochester Gas & Electric
Gas Plant
376.20 MAINS - PLASTIC

Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 30 Years

Observed Life Table

Retirement Expr. 2007 - 2008
Placement Years 1885 - 2008

Max Exposure Age 30

Life Table % Surviving 61.1

Sum Of Life Tabl 22.2

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	61-O4	1358.50	0-L0	0000.00
2	46-O3	1413.30	0-L0.5	0000.00
3	30-O1	1586.70	0-L1	0000.00
4	30-SC	1586.70	0-L1.5	0000.00
5	34-O2	1588.20	0-L2	0000.00
6	31-L0	1786.20	0-L3	0000.00
7	28-R0.5	1998.90	0-L4	0000.00
8	28-S.5	2015.50	0-L5	0000.00
9	30-L0.5	2292.00	0-O1	0000.00
10	27-R1	2715.50	0-O2	0000.00
11	27-S0	2756.10	0-O3	0000.00
12	29-L1	2994.40	0-O4	0000.00
13	27-S0.5	3668.10	0-R0.5	0000.00
14	27-R1.5	3719.70	0-R1	0000.00
15	28-L1.5	4215.10	0-R1.5	0000.00
16	27-S1	4840.20	0-R2	0000.00
17	26-R2	4981.90	0-R2.5	0000.00
18	28-L2	5798.00	0-R3	0000.00
19	26-S1.5	6192.70	0-R4	0000.00
20	26-R2.5	6526.20	0-R5	0000.00
21	26-S2	7754.70	0-S.5	0000.00
22	26-R3	8345.60	0-S0	0000.00
23	27-L3	9280.80	0-S0.5	0000.00
24	27-S3	0956.00	0-S1	0000.00
25	27-R4	1922.00	0-S1.5	0000.00
26	27-L4	2984.00	0-S2	0000.00
27	27-S4	4902.00	0-S3	0000.00
28	28-L5	6571.00	0-S4	0000.00
29	28-R5	6693.00	0-S5	0000.00
30	28-S5	8338.00	0-S6	0000.00
31	29-S6	1294.00	0-SC	0000.00
32	30-SQ	6652.00	0-SQ	0000.00

Exhibit 177

New York State Electric and Gas Corporation

Gas Division

376.20 DISTR. MAINS - PLASTIC

Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 1979 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

Rank	Full Life/ Curve	Full Least Sum Of Square	15 - 85% Of ASL Life/ Curve	15 - 85% Of ASL Least Sum Of Square
1	148-R1	4.23	147-R1	3.69
2	169-S.5	5.93	168-S.5	5.21
3	113-R1.5	7.05	112-R1.5	6.18
4	175-R0.5	14.44	175-R0.5	11.98
5	175-L0	14.93	173-L0	13.17
6	85-R2	18.44	84-R2	16.32
7	136-L0.5	19.37	134-L0.5	17.12
8	112-S0	31.55	111-S0	28.03
9	70-R2.5	35.06	69-R2.5	31.27
10	104-L1	41.56	102-L1	37.19
11	92-S0.5	45.09	91-S0.5	40.29
12	87-L1.5	57.35	85-L1.5	51.59
13	59-R3	81.12	58-R3	73.44
14	76-S1	86.05	75-S1	77.97
15	72-L2	97.37	70-L2	88.15
16	67-S1.5	105.15	66-S1.5	95.55
17	175-O1	118.93	175-O1	105.55
18	175-SC	118.93	175-SC	105.55
19	60-S2	158.86	58-S2	145.54
20	57-L3	165.41	55-L3	151.47
21	49-R4	183.96	47-R4	169.17
22	175-O2	227.76	175-O2	203.80
23	51-S3	233.98	50-S3	216.25
24	48-L4	246.13	47-L4	227.36
25	42-R5	323.21	41-R5	299.49
26	45-S4	326.67	43-S4	302.74
27	43-L5	338.40	42-L5	314.27
28	41-S5	397.09	40-S5	369.91
29	38-S6	454.68	37-S6	422.62
30	35-SQ	547.24	34-SQ	506.58
31	175-O3	1065.00	175-O3	965.38
32	175-O4	2883.30	175-O4	2627.50

Observed Life Table

Retirement Expr. 2004 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 95.5
Sum Of Life Tabl 33.5

Curve Fitting Period

Rank	Full Life/ Curve	Full Least Sum Of Square	15 - 85% Of ASL Life/ Curve	15 - 85% Of ASL Least Sum Of Square
1	175-R1	20.35	175-R1	17.34
2	139-R1.5	22.67	137-R1.5	19.83
3	100-R2	34.33	99-R2	30.36
4	162-L0.5	38.87	175-S.5	33.10
5	175-S.5	39.61	159-L0.5	34.20
6	81-R2.5	48.64	79-R2.5	43.44
7	131-S0	53.26	129-S0	47.14
8	119-L1	57.44	175-L0	50.92
9	175-L0	61.50	117-L1	51.48
10	106-S0.5	64.34	104-S0.5	57.49
11	99-L1.5	72.22	97-L1.5	65.21
12	175-R0.5	86.48	175-R0.5	75.02
13	65-R3	87.09	64-R3	79.07
14	86-S1	99.37	84-S1	90.35
15	79-L2	103.82	77-L2	94.56
16	75-S1.5	111.66	73-S1.5	101.98
17	65-S2	150.11	63-S2	138.81
18	61-L3	150.54	60-L3	139.22
19	52-R4	159.69	51-R4	147.84
20	54-S3	196.06	53-S3	182.71
21	51-L4	205.73	50-L4	192.06
22	44-R5	244.87	43-R5	229.55
23	46-S4	247.09	45-S4	230.97
24	45-L5	256.03	175-O1	233.37
25	175-O1	262.07	175-SC	233.37
26	175-SC	262.07	44-L5	240.47
27	42-S5	282.68	41-S5	265.57
28	39-S6	308.25	38-S6	289.37
29	35-SQ	356.52	34-SQ	331.42
30	175-O2	412.13	175-O2	369.03
31	175-O3	1420.20	175-O3	1285.90
32	175-O4	3442.20	175-O4	3133.60

Observed Life Table

Retirement Expr. 2003 - 2007
Placement Years 1968 - 2007
Max Exposure Age 35
Life Table % Surviving 93.8
Sum Of Life Tabl 33.3

Curve Fitting Period

Rank	Full Life/ Curve	Full Least Sum Of Square	15 - 85% Of ASL Life/ Curve	15 - 85% Of ASL Least Sum Of Square
1	150-R1	18.60	149-R1	16.36
2	171-S.5	22.26	170-S.5	19.61
3	115-R1.5	23.88	114-R1.5	21.14
4	175-R0.5	27.96	175-R0.5	24.26
5	175-L0	38.37	175-L0	33.72
6	86-R2	41.28	85-R2	36.97
7	138-L0.5	44.21	136-L0.5	39.27
8	114-S0	61.73	112-S0	55.05
9	71-R2.5	62.85	70-R2.5	56.79
10	105-L1	72.38	104-L1	65.51
11	94-S0.5	78.35	92-S0.5	70.53
12	88-L1.5	91.90	87-L1.5	83.60
13	60-R3	117.18	59-R3	107.33
14	77-S1	126.42	76-S1	115.56
15	175-O1	133.36	175-O1	119.63
16	175-SC	133.36	175-SC	119.63
17	73-L2	136.94	71-L2	125.41
18	68-S1.5	146.18	67-S1.5	134.27
19	60-S2	201.92	59-S2	187.17
20	57-L3	206.63	56-L3	191.39
21	49-R4	223.14	48-R4	207.26
22	175-O2	243.32	175-O2	219.47
23	51-S3	273.86	50-S3	255.45
24	49-L4	286.16	47-L4	267.78
25	42-R5	353.83	41-R5	331.46
26	45-S4	354.80	44-S4	332.64
27	43-L5	367.35	42-L5	344.46
28	41-S5	415.94	40-S5	390.07
29	38-S6	468.99	38-S6	438.60
30	35-SQ	552.76	34-SQ	508.07
31	175-O3	1084.20	175-O3	986.70
32	175-O4	2906.00	175-O4	2654.80

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New York State Electric and Gas Corporation

Gas Division

376.20 DISTR. MAINS - PLASTIC

Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 2002 - 2006
Placement Years 1968 - 2006
Max Exposure Age 35
Life Table % Surviving 92.2
Sum Of Life Tabl 33

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	161-R0.5	18.25	160-R0.5	16.00
2	122-R1	24.31	121-R1	21.41
3	141-S.5	29.31	140-S.5	25.83
4	95-R1.5	33.74	94-R1.5	29.90
5	175-O1	40.41	175-O1	34.92
6	175-SC	40.41	175-SC	34.92
7	149-L0	50.33	147-L0	44.22
8	118-L0.5	62.02	117-L0.5	54.96
9	75-R2	63.58	74-R2	56.93
10	99-S0	84.77	98-S0	75.39
11	63-R2.5	99.67	175-O2	87.96
12	175-O2	99.78	62-R2.5	89.98
13	94-L1	108.42	92-L1	97.87
14	83-S0.5	112.07	82-S0.5	100.68
15	79-L1.5	136.96	78-L1.5	124.15
16	55-R3	182.11	54-R3	166.49
17	70-S1	183.03	69-S1	166.79
18	67-L2	207.84	66-L2	189.92
19	63-S1.5	216.73	62-S1.5	198.86
20	57-S2	301.30	55-S2	278.66
21	54-L3	316.82	53-L3	292.93
22	47-R4	344.74	46-R4	319.90
23	49-S3	415.11	48-S3	386.76
24	47-L4	433.79	45-L4	404.13
25	41-R5	545.94	40-R5	510.50
26	44-S4	548.39	43-S4	513.76
27	42-L5	563.62	41-L5	527.66
28	40-S5	646.98	39-S5	605.82
29	38-S6	721.26	175-O3	659.44
30	175-O3	729.28	37-S6	675.14
31	35-SQ	869.99	34-SQ	802.69
32	175-O4	2297.50	175-O4	2092.50

Observed Life Table

Retirement Expr. 2001 - 2005
Placement Years 1968 - 2005
Max Exposure Age 35
Life Table % Surviving 93.5
Sum Of Life Tabl 33.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	175-S.5	3.13	174-S.5	2.88
2	154-R1	3.40	153-R1	3.12
3	117-R1.5	3.54	116-R1.5	3.20
4	175-L0	5.45	175-L0	4.56
5	139-L0.5	7.20	137-L0.5	6.32
6	86-R2	7.61	85-R2	6.65
7	114-S0	13.43	113-S0	11.76
8	71-R2.5	17.24	70-R2.5	15.06
9	105-L1	20.80	103-L1	18.35
10	93-S0.5	22.36	92-S0.5	19.65
11	175-R0.5	23.62	175-R0.5	21.18
12	88-L1.5	31.57	86-L1.5	27.88
13	59-R3	50.18	58-R3	44.63
14	77-S1	52.53	75-S1	47.00
15	72-L2	61.74	71-L2	55.17
16	68-S1.5	68.45	66-S1.5	61.31
17	60-S2	114.44	58-S2	103.85
18	57-L3	120.32	55-L3	108.93
19	49-R4	138.19	48-R4	125.58
20	175-O1	144.57	175-O1	131.50
21	175-SC	144.57	175-SC	131.50
22	51-S3	183.84	50-S3	168.26
23	48-L4	195.14	47-L4	178.57
24	175-O2	262.17	175-O2	238.73
25	42-R5	269.83	41-R5	247.61
26	44-S4	273.58	43-S4	250.42
27	43-L5	284.70	42-L5	262.02
28	41-S5	343.86	40-S5	317.02
29	38-S6	400.92	37-S6	368.27
30	35-SQ	501.50	34-SQ	459.45
31	175-O3	1137.10	175-O3	1038.80
32	175-O4	3001.50	175-O4	2748.00

Observed Life Table

Retirement Expr. 2000 - 2004
Placement Years 1968 - 2004
Max Exposure Age 35
Life Table % Surviving 93.5
Sum Of Life Tabl 33.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	171-S.5	4.56	170-S.5	4.14
2	150-R1	4.68	149-R1	4.28
3	114-R1.5	5.15	113-R1.5	4.61
4	175-L0	6.99	174-L0	6.13
5	136-L0.5	9.82	135-L0.5	8.54
6	85-R2	10.51	84-R2	9.11
7	112-S0	16.82	111-S0	14.62
8	175-R0.5	18.97	175-R0.5	16.67
9	70-R2.5	21.85	69-R2.5	19.04
10	103-L1	25.64	102-L1	22.41
11	92-S0.5	26.96	91-S0.5	23.62
12	86-L1.5	37.49	85-L1.5	32.99
13	58-R3	58.73	57-R3	52.01
14	76-S1	60.17	74-S1	53.70
15	71-L2	71.00	70-L2	63.08
16	67-S1.5	77.71	66-S1.5	69.71
17	59-S2	127.72	58-S2	115.54
18	175-O1	129.41	175-O1	116.68
19	175-SC	129.41	175-SC	116.68
20	56-L3	134.74	55-L3	121.46
21	48-R4	154.15	47-R4	139.52
22	51-S3	203.12	49-S3	185.70
23	48-L4	214.83	47-L4	196.86
24	175-O2	241.07	175-O2	218.08
25	42-R5	294.50	41-R5	270.74
26	44-S4	297.40	43-S4	272.70
27	43-L5	310.25	42-L5	286.11
28	41-S5	372.54	40-S5	344.30
29	38-S6	430.78	37-S6	396.48
30	35-SQ	534.45	34-SQ	491.82
31	175-O3	1091.10	175-O3	993.75
32	175-O4	2925.60	175-O4	2673.50

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 1999 - 2003
Placement Years 1968 - 2003
Max Exposure Age 35
Life Table % Surviving 91.8
Sum Of Life Tabl 33.2

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	152-L0	6.24	150-L0	5.45
2	144-S.5	6.32	144-S.5	5.72
3	97-R1.5	6.81	96-R1.5	6.04
4	125-R1	7.44	125-R1	6.74
5	167-R0.5	9.16	118-L0.5	8.30
6	119-L0.5	9.71	167-R0.5	8.33
7	75-R2	12.52	74-R2	10.55
8	99-S0	16.22	98-S0	13.87
9	63-R2.5	27.83	62-R2.5	23.71
10	83-S0.5	29.22	82-S0.5	25.23
11	93-L1	29.61	92-L1	25.52
12	79-L1.5	44.46	77-L1.5	38.68
13	175-O1	48.11	175-O1	43.65
14	175-SC	48.11	175-SC	43.65
15	70-S1	70.50	69-S1	62.28
16	54-R3	76.36	53-R3	66.91
17	66-L2	91.44	65-L2	80.20
18	62-S1.5	95.83	61-S1.5	84.86
19	175-O2	117.80	175-O2	107.14
20	56-S2	162.32	55-S2	145.87
21	54-L3	180.46	52-L3	161.28
22	46-R4	206.98	45-R4	185.87
23	48-S3	270.45	47-S3	244.25
24	46-L4	285.37	45-L4	258.79
25	43-S4	408.54	42-S4	372.09
26	41-R5	409.95	40-R5	373.41
27	42-L5	429.45	41-L5	392.45
28	40-S5	525.77	39-S5	480.72
29	38-S6	618.86	37-S6	567.26
30	175-O3	793.21	175-O3	724.80
31	35-SQ	793.25	34-SQ	726.03
32	175-O4	2418.90	175-O4	2215.40

Observed Life Table

Retirement Expr. 1998 - 2002
Placement Years 1968 - 2002
Max Exposure Age 35
Life Table % Surviving 92.7
Sum Of Life Tabl 33.2

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	150-S.5	8.38	155-L0	6.89
2	157-L0	8.81	149-S.5	6.96
3	101-R1.5	9.12	100-R1.5	7.40
4	131-R1	9.26	129-R1	7.87
5	175-R0.5	10.48	174-R0.5	9.16
6	123-L0.5	12.44	121-L0.5	9.71
7	77-R2	15.14	76-R2	11.81
8	102-S0	19.07	101-S0	15.18
9	64-R2.5	30.07	63-R2.5	24.17
10	85-S0.5	31.82	83-S0.5	26.08
11	96-L1	32.19	94-L1	26.25
12	81-L1.5	46.54	79-L1.5	38.65
13	175-O1	66.42	175-O1	57.82
14	175-SC	66.42	175-SC	57.82
15	71-S1	71.99	70-S1	61.53
16	55-R3	76.48	54-R3	64.97
17	68-L2	90.79	66-L2	77.64
18	63-S1.5	96.07	62-S1.5	82.86
19	175-O2	146.77	175-O2	129.80
20	57-S2	159.89	55-S2	140.75
21	54-L3	174.87	53-L3	153.69
22	47-R4	200.85	46-R4	178.41
23	49-S3	260.36	48-S3	233.05
24	46-L4	276.55	45-L4	246.99
25	41-R5	390.08	40-R5	352.20
26	43-S4	392.47	42-S4	353.27
27	42-L5	407.33	41-L5	369.23
28	40-S5	497.83	39-S5	452.56
29	38-S6	579.83	37-S6	531.10
30	35-SQ	725.08	34-SQ	671.42
31	175-O3	866.56	175-O3	782.85
32	175-O4	2545.20	175-O4	2315.90

Observed Life Table

Retirement Expr. 1997 - 2001
Placement Years 1968 - 2001
Max Exposure Age 35
Life Table % Surviving 91.6
Sum Of Life Tabl 33.2

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	149-L0	5.50	116-L0.5	4.05
2	117-L0.5	5.65	148-L0	4.67
3	98-S0	7.30	97-S0	4.75
4	73-R2	7.63	72-R2	5.23
5	95-R1.5	10.46	94-R1.5	9.53
6	142-S.5	11.74	80-S0.5	10.25
7	123-R1	14.71	90-L1	10.60
8	81-S0.5	14.92	61-R2.5	10.62
9	91-L1	15.58	141-S.5	11.01
10	62-R2.5	15.81	123-R1	13.89
11	164-R0.5	19.20	164-R0.5	18.19
12	77-L1.5	26.10	76-L1.5	18.98
13	69-S1	45.51	67-S1	35.60
14	175-O1	53.19	52-R3	41.26
15	175-SC	53.19	175-O1	49.24
16	53-R3	53.20	175-SC	49.24
17	65-L2	65.91	64-L2	52.06
18	61-S1.5	67.37	60-S1.5	54.10
19	175-O2	118.52	54-S2	106.34
20	55-S2	126.84	175-O2	108.88
21	53-L3	148.51	52-L3	124.95
22	46-R4	176.33	44-R4	148.68
23	48-S3	234.15	47-S3	201.93
24	45-L4	251.65	44-L4	216.10
25	43-S4	389.61	42-S4	343.33
26	40-R5	395.86	39-R5	345.48
27	41-L5	410.46	40-L5	359.43
28	40-S5	530.82	39-S5	474.45
29	38-S6	641.66	37-S6	579.53
30	175-O3	776.79	175-O3	711.43
31	35-SQ	833.38	34-SQ	762.64
32	175-O4	2382.90	175-O4	2184.90

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. **1996 - 2000**
Placement Years **1968 - 2000**

Max Exposure Age 35

Life Table % Surviving 90

Sum Of Life Tabl 32.9

Curve Fitting Period

Rank	Full Life/ Curve	Full Least Sum Of Square	15 - 85% Of ASL Life/ Curve	15 - 85% Of ASL Least Sum Of Square
1	128-L0	6.43	127-L0	4.62
2	103-L0.5	9.29	101-L0.5	5.87
3	81-R1.5	9.73	80-R1.5	7.77
4	119-S.5	10.74	64-R2	9.13
5	103-R1	13.56	118-S.5	9.45
6	65-R2	14.34	85-S0	9.73
7	87-S0	14.47	102-R1	12.18
8	135-R0.5	18.98	134-R0.5	17.60
9	171-O1	21.78	170-O1	20.30
10	171-SC	21.78	170-SC	20.30
11	73-S0.5	30.16	72-S0.5	21.90
12	83-L1	32.12	81-L1	23.41
13	175-O2	32.91	55-R2.5	25.55
14	56-R2.5	35.64	175-O2	29.89
15	71-L1.5	52.18	70-L1.5	40.05
16	63-S1	80.34	62-S1	64.43
17	50-R3	101.44	49-R3	81.49
18	57-S1.5	117.23	56-S1.5	96.20
19	61-L2	120.20	60-L2	97.69
20	52-S2	206.29	51-S2	175.00
21	51-L3	251.48	49-L3	212.93
22	44-R4	288.85	43-R4	247.92
23	46-S3	366.14	45-S3	317.78
24	44-L4	394.24	43-L4	343.22
25	175-O3	461.72	175-O3	419.62
26	42-S4	595.64	40-S4	528.21
27	40-R5	608.34	39-R5	539.43
28	40-L5	630.29	39-L5	555.10
29	39-S5	797.50	38-S5	712.81
30	37-S6	974.37	36-S6	876.36
31	35-SQ	1248.10	34-SQ	1147.10
32	175-O4	1792.70	175-O4	1637.60

Observed Life Table

Retirement Expr. **1995 - 1999**
Placement Years **1968 - 1999**

Max Exposure Age 35

Life Table % Surviving 87.3

Sum Of Life Tabl 32.4

Curve Fitting Period

Rank	Full Life/ Curve	Full Least Sum Of Square	15 - 85% Of ASL Life/ Curve	15 - 85% Of ASL Least Sum Of Square
1	108-L0	14.84	107-L0	12.02
2	88-L0.5	17.95	87-L0.5	12.04
3	68-R1.5	20.52	74-S0	14.94
4	75-S0	22.83	67-R1.5	16.81
5	98-S.5	23.29	56-R2	19.93
6	84-R1	27.89	97-S.5	21.38
7	57-R2	30.46	83-R1	25.90
8	107-R0.5	38.99	64-S0.5	32.23
9	151-O2	45.03	72-L1	35.80
10	135-O1	45.15	107-R0.5	37.22
11	135-SC	45.15	151-O2	43.19
12	65-S0.5	46.04	134-O1	43.30
13	73-L1	50.88	134-SC	43.30
14	51-R2.5	69.29	50-R2.5	49.69
15	64-L1.5	84.56	63-L1.5	63.28
16	57-S1	116.12	56-S1	90.26
17	46-R3	171.39	45-R3	135.56
18	52-S1.5	176.65	51-S1.5	141.46
19	175-O3	181.06	55-L2	154.00
20	56-L2	192.81	175-O3	165.63
21	48-S2	307.89	47-S2	256.15
22	48-L3	401.79	47-L3	339.69
23	41-R4	457.42	40-R4	387.38
24	44-S3	559.96	43-S3	482.14
25	42-L4	618.45	41-L4	532.68
26	40-S4	924.03	39-S4	810.00
27	38-R5	969.86	37-R5	851.22
28	39-L5	992.61	38-L5	872.00
29	175-O4	1118.40	175-O4	1022.10
30	38-S5	1264.30	37-S5	1126.40
31	37-S6	1537.30	36-S6	1390.40
32	35-SQ	2015.80	34-SQ	1853.80

Observed Life Table

Retirement Expr. **1994 - 1998**
Placement Years **1968 - 1998**

Max Exposure Age 35

Life Table % Surviving 87.8

Sum Of Life Tabl 32.4

Curve Fitting Period

Rank	Full Life/ Curve	Full Least Sum Of Square	15 - 85% Of ASL Life/ Curve	15 - 85% Of ASL Least Sum Of Square
1	108-L0	22.14	107-L0	18.21
2	88-L0.5	26.97	87-L0.5	19.52
3	69-R1.5	28.97	74-S0	22.49
4	99-S.5	30.19	68-R1.5	24.02
5	75-S0	32.01	98-S.5	27.44
6	85-R1	34.74	56-R2	29.47
7	57-R2	41.57	84-R1	31.96
8	109-R0.5	44.74	64-S0.5	41.01
9	153-O2	50.28	108-R0.5	42.53
10	136-O1	50.39	72-L1	45.58
11	136-SC	50.39	152-O2	48.14
12	65-S0.5	56.79	135-O1	48.25
13	74-L1	62.36	135-SC	48.25
14	51-R2.5	81.58	50-R2.5	60.35
15	64-L1.5	97.38	63-L1.5	73.75
16	58-S1	129.79	56-S1	101.41
17	46-R3	187.21	45-R3	149.34
18	53-S1.5	192.42	51-S1.5	154.88
19	175-O3	197.44	55-L2	168.90
20	57-L2	208.67	175-O3	178.59
21	49-S2	325.91	47-S2	273.06
22	48-L3	420.26	47-L3	356.34
23	41-R4	480.64	40-R4	408.66
24	44-S3	581.22	43-S3	501.83
25	42-L4	640.07	41-L4	553.14
26	40-S4	951.10	39-S4	837.80
27	39-R5	989.80	37-R5	879.72
28	39-L5	1017.90	38-L5	898.82
29	175-O4	1154.50	175-O4	1049.60
30	38-S5	1282.60	37-S5	1150.10
31	37-S6	1533.70	36-S6	1395.60
32	35-SQ	1978.90	34-SQ	1827.80

New York State Electric and Gas Corporation
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Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. **1993 - 1997**
Placement Years **1968 - 1997**
Max Exposure Age 35
Life Table % Surviving 86.1
Sum Of Life Tabl 32.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	98-L0	33.18	97-L0	27.47
2	81-L0.5	41.59	80-L0.5	30.76
3	88-S.5	42.30	68-S0	34.56
4	62-R1.5	43.41	62-R1.5	35.41
5	75-R1	47.56	87-S.5	38.22
6	69-S0	48.02	75-R1	43.44
7	95-R0.5	60.08	52-R2	50.14
8	133-O2	67.73	95-R0.5	57.08
9	119-O1	67.86	60-S0.5	61.42
10	119-SC	67.86	133-O2	64.95
11	53-R2	68.67	118-O1	65.05
12	61-S0.5	83.34	118-SC	65.05
13	69-L1	91.25	68-L1	67.98
14	175-O3	101.39	175-O3	93.18
15	48-R2.5	129.44	47-R2.5	98.14
16	60-L1.5	143.14	59-L1.5	109.61
17	54-S1	177.82	53-S1	139.65
18	50-S1.5	263.39	49-S1.5	213.09
19	44-R3	273.58	43-R3	220.74
20	54-L2	291.91	53-L2	237.38
21	47-S2	435.76	46-S2	365.98
22	46-L3	579.16	45-L3	490.88
23	40-R4	651.22	39-R4	556.60
24	43-S3	775.41	41-S3	670.33
25	175-O4	787.17	175-O4	712.53
26	41-L4	865.70	40-L4	750.80
27	40-S4	1259.90	38-S4	1117.70
28	38-R5	1309.40	37-R5	1163.70
29	39-L5	1348.90	38-L5	1202.20
30	38-S5	1686.70	37-S5	1523.50
31	37-S6	2033.40	36-S6	1860.10
32	35-SQ	2603.60	34-SQ	2409.70

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 1979 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

Rank	Full Life/ Curve	Full Least Sum Of Square	15 - 85% Of ASL Life/ Curve	15 - 85% Of ASL Least Sum Of Square
1	148-R1	4.23	147-R1	3.69
2	169-S.5	5.93	168-S.5	5.21
3	113-R1.5	7.05	112-R1.5	6.18
4	175-R0.5	14.44	175-R0.5	11.98
5	175-L0	14.93	173-L0	13.17
6	85-R2	18.44	84-R2	16.32
7	136-L0.5	19.37	134-L0.5	17.12
8	112-S0	31.55	111-S0	28.03
9	70-R2.5	35.06	69-R2.5	31.27
10	104-L1	41.56	102-L1	37.19
11	92-S0.5	45.09	91-S0.5	40.29
12	87-L1.5	57.35	85-L1.5	51.59
13	59-R3	81.12	58-R3	73.44
14	76-S1	86.05	75-S1	77.97
15	72-L2	97.37	70-L2	88.15
16	67-S1.5	105.15	66-S1.5	95.55
17	175-O1	118.93	175-O1	105.55
18	175-SC	118.93	175-SC	105.55
19	60-S2	158.86	58-S2	145.54
20	57-L3	165.41	55-L3	151.47
21	49-R4	183.96	47-R4	169.17
22	175-O2	227.76	175-O2	203.80
23	51-S3	233.98	50-S3	216.25
24	48-L4	246.13	47-L4	227.36
25	42-R5	323.21	41-R5	299.49
26	45-S4	326.67	43-S4	302.74
27	43-L5	338.40	42-L5	314.27
28	41-S5	397.09	40-S5	369.91
29	38-S6	454.68	37-S6	422.62
30	35-SQ	547.24	34-SQ	506.58
31	175-O3	1065.00	175-O3	965.38
32	175-O4	2883.30	175-O4	2627.50

Observed Life Table

Retirement Expr. 1980 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

Rank	Full Life/ Curve	Full Least Sum Of Square	15 - 85% Of ASL Life/ Curve	15 - 85% Of ASL Least Sum Of Square
1	148-R1	4.25	147-R1	3.72
2	169-S.5	5.96	168-S.5	5.23
3	113-R1.5	7.08	112-R1.5	6.21
4	175-R0.5	14.34	175-R0.5	11.90
5	175-L0	14.99	172-L0	13.22
6	85-R2	18.52	84-R2	16.40
7	136-L0.5	19.44	134-L0.5	17.18
8	112-S0	31.64	111-S0	28.12
9	70-R2.5	35.18	69-R2.5	31.38
10	104-L1	41.69	102-L1	37.30
11	92-S0.5	45.21	91-S0.5	40.41
12	87-L1.5	57.51	85-L1.5	51.73
13	59-R3	81.33	58-R3	73.63
14	76-S1	86.24	75-S1	78.16
15	72-L2	97.60	70-L2	88.35
16	67-S1.5	105.38	66-S1.5	95.76
17	175-O1	118.58	175-O1	105.23
18	175-SC	118.58	175-SC	105.23
19	60-S2	159.18	58-S2	145.82
20	57-L3	165.75	55-L3	151.76
21	49-R4	184.33	47-R4	169.48
22	175-O2	227.27	175-O2	203.35
23	51-S3	234.39	50-S3	216.65
24	48-L4	246.55	47-L4	227.76
25	42-R5	323.73	41-R5	299.98
26	45-S4	327.22	43-S4	303.21
27	43-L5	338.94	42-L5	314.78
28	41-S5	397.72	40-S5	370.50
29	38-S6	455.33	37-S6	423.23
30	35-SQ	548.03	34-SQ	507.32
31	175-O3	1063.90	175-O3	964.38
32	175-O4	2881.50	175-O4	2625.90

Observed Life Table

Retirement Expr. 1981 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

Rank	Full Life/ Curve	Full Least Sum Of Square	15 - 85% Of ASL Life/ Curve	15 - 85% Of ASL Least Sum Of Square
1	148-R1	4.29	147-R1	3.75
2	169-S.5	6.01	168-S.5	5.28
3	113-R1.5	7.14	112-R1.5	6.26
4	175-R0.5	14.18	175-R0.5	11.75
5	174-L0	15.09	172-L0	13.31
6	85-R2	18.65	83-R2	16.50
7	136-L0.5	19.57	134-L0.5	17.29
8	112-S0	31.81	111-S0	28.27
9	70-R2.5	35.39	69-R2.5	31.57
10	104-L1	41.91	102-L1	37.50
11	92-S0.5	45.42	91-S0.5	40.61
12	87-L1.5	57.79	85-L1.5	51.97
13	59-R3	81.69	58-R3	73.98
14	76-S1	86.58	75-S1	78.48
15	72-L2	98.01	70-L2	88.70
16	67-S1.5	105.77	66-S1.5	96.14
17	175-O1	117.99	175-O1	104.68
18	175-SC	117.99	175-SC	104.68
19	60-S2	159.74	58-S2	146.30
20	57-L3	166.34	55-L3	152.27
21	49-R4	184.97	47-R4	170.02
22	175-O2	226.44	175-O2	202.58
23	51-S3	235.11	50-S3	217.33
24	48-L4	247.28	47-L4	228.45
25	42-R5	324.63	41-R5	300.83
26	45-S4	328.16	43-S4	304.02
27	43-L5	339.88	42-L5	315.66
28	41-S5	398.79	40-S5	371.52
29	38-S6	456.44	37-S6	424.28
30	35-SQ	549.39	34-SQ	508.59
31	175-O3	1062.10	175-O3	962.67
32	175-O4	2878.40	175-O4	2623.00

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 1982 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	148-R1	4.36	146-R1	3.82
2	169-S.5	6.10	167-S.5	5.36
3	113-R1.5	7.25	112-R1.5	6.36
4	175-R0.5	13.89	175-R0.5	11.50
5	174-L0	15.25	172-L0	13.45
6	85-R2	18.88	83-R2	16.68
7	136-L0.5	19.78	134-L0.5	17.48
8	112-S0	32.08	110-S0	28.52
9	70-R2.5	35.74	69-R2.5	31.90
10	104-L1	42.29	102-L1	37.84
11	92-S0.5	45.79	91-S0.5	40.96
12	87-L1.5	58.25	85-L1.5	52.37
13	59-R3	82.31	57-R3	74.49
14	76-S1	87.15	75-S1	79.03
15	72-L2	98.70	70-L2	89.30
16	67-S1.5	106.44	66-S1.5	96.78
17	175-O1	116.98	175-O1	103.75
18	175-SC	116.98	175-SC	103.75
19	60-S2	160.68	58-S2	147.12
20	57-L3	167.35	55-L3	153.14
21	49-R4	186.06	47-R4	170.94
22	175-O2	225.02	175-O2	201.26
23	51-S3	236.34	50-S3	218.50
24	48-L4	248.51	47-L4	229.63
25	42-R5	326.17	41-R5	302.28
26	45-S4	329.78	43-S4	305.41
27	43-L5	341.47	42-L5	317.17
28	41-S5	400.63	40-S5	373.26
29	38-S6	458.34	37-S6	426.07
30	35-SQ	551.71	34-SQ	510.77
31	175-O3	1058.90	175-O3	959.74
32	175-O4	2873.20	175-O4	2618.20

Observed Life Table

Retirement Expr. 1983 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	147-R1	4.45	146-R1	3.89
2	169-S.5	6.22	167-S.5	5.46
3	113-R1.5	7.40	111-R1.5	6.49
4	175-R0.5	13.53	175-R0.5	11.18
5	174-L0	15.47	172-L0	13.65
6	84-R2	19.17	83-R2	16.92
7	135-L0.5	20.06	134-L0.5	17.73
8	112-S0	32.45	110-S0	28.84
9	70-R2.5	36.22	68-R2.5	32.30
10	104-L1	42.80	102-L1	38.29
11	92-S0.5	46.27	90-S0.5	41.40
12	87-L1.5	58.87	85-L1.5	52.91
13	59-R3	83.14	57-R3	75.17
14	76-S1	87.90	75-S1	79.75
15	72-L2	99.61	70-L2	90.10
16	67-S1.5	107.32	66-S1.5	97.62
17	175-O1	115.65	175-O1	102.53
18	175-SC	115.65	175-SC	102.53
19	60-S2	161.93	58-S2	148.21
20	57-L3	168.68	55-L3	154.29
21	49-R4	187.51	47-R4	172.15
22	175-O2	223.14	175-O2	199.53
23	51-S3	237.96	50-S3	220.05
24	48-L4	250.15	47-L4	231.19
25	42-R5	328.21	41-R5	304.21
26	45-S4	331.92	43-S4	307.25
27	43-L5	343.58	42-L5	319.17
28	41-S5	403.07	40-S5	375.57
29	38-S6	460.86	37-S6	428.45
30	35-SQ	554.79	34-SQ	513.67
31	175-O3	1054.80	175-O3	955.88
32	175-O4	2866.30	175-O4	2611.70

Observed Life Table

Retirement Expr. 1984 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	147-R1	4.55	146-R1	3.98
2	168-S.5	6.34	166-S.5	5.58
3	112-R1.5	7.54	111-R1.5	6.61
4	175-R0.5	13.14	175-R0.5	10.84
5	173-L0	15.71	171-L0	13.85
6	84-R2	19.45	83-R2	17.18
7	135-L0.5	20.34	133-L0.5	17.98
8	112-S0	32.85	110-S0	29.18
9	70-R2.5	36.73	68-R2.5	32.71
10	103-L1	43.29	101-L1	38.74
11	92-S0.5	46.79	90-S0.5	41.84
12	86-L1.5	59.50	85-L1.5	53.49
13	59-R3	84.03	57-R3	75.90
14	76-S1	88.71	74-S1	80.50
15	72-L2	100.60	70-L2	90.96
16	67-S1.5	108.27	66-S1.5	98.53
17	175-O1	114.21	175-O1	101.20
18	175-SC	114.21	175-SC	101.20
19	59-S2	163.23	58-S2	149.38
20	57-L3	170.12	55-L3	155.53
21	49-R4	189.07	47-R4	173.46
22	175-O2	221.11	175-O2	197.65
23	51-S3	239.72	50-S3	221.73
24	48-L4	251.93	47-L4	232.87
25	42-R5	330.42	41-R5	306.30
26	45-S4	334.24	43-S4	309.24
27	43-L5	345.87	42-L5	321.34
28	41-S5	405.72	40-S5	378.08
29	38-S6	463.61	37-S6	431.04
30	35-SQ	558.15	34-SQ	516.83
31	175-O3	1050.30	175-O3	951.68
32	175-O4	2858.80	175-O4	2604.70

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 1985 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	147-R1	4.63	145-R1	4.05
2	168-S.5	6.44	166-S.5	5.66
3	112-R1.5	7.65	111-R1.5	6.71
4	175-R0.5	12.83	175-R0.5	10.56
5	173-L0	15.88	171-L0	14.00
6	84-R2	19.68	83-R2	17.40
7	135-L0.5	20.56	133-L0.5	18.18
8	112-S0	33.17	110-S0	29.45
9	69-R2.5	37.13	68-R2.5	33.03
10	103-L1	43.68	101-L1	39.09
11	92-S0.5	47.20	90-S0.5	42.19
12	86-L1.5	59.98	85-L1.5	53.96
13	59-R3	84.75	57-R3	76.49
14	76-S1	89.36	74-S1	81.06
15	71-L2	101.39	70-L2	91.64
16	67-S1.5	109.03	66-S1.5	99.26
17	175-O1	113.03	175-O1	100.12
18	175-SC	113.03	175-SC	100.12
19	59-S2	164.22	58-S2	150.32
20	57-L3	171.29	55-L3	156.54
21	49-R4	190.34	47-R4	174.52
22	175-O2	219.45	175-O2	196.11
23	51-S3	241.15	50-S3	223.09
24	48-L4	253.37	47-L4	234.24
25	42-R5	332.23	41-R5	308.01
26	45-S4	336.15	43-S4	310.87
27	43-L5	347.75	42-L5	323.12
28	41-S5	407.91	40-S5	380.15
29	38-S6	465.87	37-S6	433.17
30	35-SQ	560.92	34-SQ	519.43
31	175-O3	1046.60	175-O3	948.23
32	175-O4	2852.70	175-O4	2599.00

Observed Life Table

Retirement Expr. 1986 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	146-R1	4.76	145-R1	4.17
2	167-S.5	6.61	166-S.5	5.81
3	112-R1.5	7.85	111-R1.5	6.90
4	175-R0.5	12.33	175-R0.5	10.13
5	173-L0	16.19	171-L0	14.29
6	84-R2	20.09	83-R2	17.78
7	135-L0.5	20.97	133-L0.5	18.53
8	111-S0	33.69	110-S0	29.94
9	69-R2.5	37.74	68-R2.5	33.60
10	103-L1	44.37	101-L1	39.70
11	92-S0.5	47.92	90-S0.5	42.81
12	86-L1.5	60.81	85-L1.5	54.77
13	58-R3	85.88	57-R3	77.50
14	76-S1	90.47	74-S1	82.02
15	71-L2	102.61	70-L2	92.83
16	67-S1.5	110.33	175-O1	98.36
17	175-O1	111.13	175-SC	98.36
18	175-SC	111.13	66-S1.5	100.51
19	59-S2	165.88	58-S2	151.92
20	56-L3	173.23	55-L3	158.24
21	49-R4	192.47	47-R4	176.32
22	175-O2	216.75	175-O2	193.61
23	51-S3	243.54	50-S3	225.38
24	48-L4	255.79	47-L4	236.54
25	42-R5	335.24	41-R5	310.86
26	44-S4	339.17	43-S4	313.58
27	43-L5	350.87	42-L5	326.08
28	41-S5	411.51	40-S5	383.56
29	38-S6	469.59	37-S6	436.69
30	35-SQ	565.47	34-SQ	523.72
31	175-O3	1040.50	175-O3	942.60
32	175-O4	2842.60	175-O4	2589.60

Observed Life Table

Retirement Expr. 1987 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 93.6
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	146-R1	4.80	145-R1	4.21
2	167-S.5	6.66	165-S.5	5.86
3	112-R1.5	7.92	110-R1.5	6.96
4	175-R0.5	12.12	175-R0.5	9.93
5	172-L0	16.28	170-L0	14.36
6	84-R2	20.23	83-R2	17.91
7	134-L0.5	21.08	133-L0.5	18.65
8	111-S0	33.84	109-S0	30.09
9	69-R2.5	37.95	68-R2.5	33.81
10	103-L1	44.61	101-L1	39.91
11	92-S0.5	48.16	90-S0.5	43.02
12	86-L1.5	61.09	85-L1.5	55.06
13	58-R3	86.26	57-R3	77.87
14	76-S1	90.86	74-S1	82.36
15	71-L2	103.04	70-L2	93.26
16	175-O1	110.31	175-O1	97.60
17	175-SC	110.31	175-SC	97.60
18	67-S1.5	110.80	65-S1.5	100.95
19	59-S2	166.50	58-S2	152.53
20	56-L3	173.90	55-L3	158.90
21	48-R4	193.26	47-R4	177.02
22	175-O2	215.59	175-O2	192.52
23	51-S3	244.49	50-S3	226.31
24	48-L4	256.75	47-L4	237.47
25	42-R5	336.48	41-R5	312.04
26	44-S4	340.34	43-S4	314.70
27	43-L5	352.15	42-L5	327.31
28	41-S5	413.02	40-S5	385.01
29	38-S6	471.16	37-S6	438.19
30	35-SQ	567.43	34-SQ	525.57
31	175-O3	1037.90	175-O3	940.16
32	175-O4	2838.30	175-O4	2585.50

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 1988 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.6
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	145-R1	5.02	144-R1	4.39
2	166-S.5	6.93	164-S.5	6.10
3	111-R1.5	8.24	110-R1.5	7.24
4	175-R0.5	11.34	175-R0.5	9.26
5	172-L0	16.78	170-L0	14.81
6	84-R2	20.93	82-R2	18.50
7	134-L0.5	21.71	132-L0.5	19.20
8	111-S0	34.70	109-S0	30.83
9	69-R2.5	38.99	68-R2.5	34.78
10	103-L1	45.77	101-L1	40.93
11	91-S0.5	49.27	90-S0.5	44.07
12	86-L1.5	62.49	84-L1.5	56.28
13	58-R3	88.06	57-R3	79.55
14	76-S1	92.71	74-S1	83.96
15	71-L2	105.08	175-O1	94.73
16	175-O1	107.19	175-SC	94.73
17	175-SC	107.19	70-L2	95.22
18	67-S1.5	112.97	65-S1.5	102.80
19	59-S2	169.27	58-S2	155.18
20	56-L3	176.85	55-L3	161.71
21	48-R4	196.41	47-R4	179.99
22	175-O2	211.14	175-O2	188.41
23	51-S3	248.47	49-S3	229.77
24	48-L4	260.76	47-L4	241.28
25	42-R5	341.48	41-R5	316.76
26	44-S4	345.08	43-S4	319.21
27	43-L5	357.34	42-L5	332.23
28	41-S5	419.03	40-S5	390.70
29	38-S6	477.38	37-S6	444.06
30	35-SQ	575.04	34-SQ	532.72
31	175-O3	1027.90	175-O3	930.87
32	175-O4	2821.60	175-O4	2570.00

Observed Life Table

Retirement Expr. 1989 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.6
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	146-R1	4.75	144-R1	4.15
2	167-S.5	6.58	165-S.5	5.78
3	112-R1.5	7.86	110-R1.5	6.88
4	175-R0.5	11.89	175-R0.5	9.73
5	172-L0	16.11	170-L0	14.19
6	84-R2	20.12	83-R2	17.80
7	134-L0.5	20.91	132-L0.5	18.48
8	111-S0	33.61	109-S0	29.85
9	69-R2.5	37.82	68-R2.5	33.67
10	103-L1	44.44	101-L1	39.73
11	91-S0.5	47.94	90-S0.5	42.79
12	86-L1.5	60.91	84-L1.5	54.86
13	58-R3	86.14	57-R3	77.73
14	76-S1	90.67	74-S1	82.12
15	71-L2	102.89	70-L2	93.12
16	175-O1	109.62	175-O1	96.97
17	175-SC	109.62	175-SC	96.97
18	67-S1.5	110.67	65-S1.5	100.75
19	59-S2	166.48	58-S2	152.49
20	56-L3	173.93	55-L3	158.90
21	48-R4	193.36	47-R4	177.09
22	175-O2	214.62	175-O2	191.65
23	51-S3	244.81	49-S3	226.53
24	48-L4	257.08	47-L4	237.75
25	42-R5	337.13	41-R5	312.62
26	44-S4	340.90	43-S4	315.21
27	43-L5	352.87	42-L5	327.96
28	41-S5	414.01	40-S5	385.92
29	38-S6	472.22	37-S6	439.15
30	35-SQ	568.95	34-SQ	526.96
31	175-O3	1035.80	175-O3	938.26
32	175-O4	2834.90	175-O4	2582.40

Observed Life Table

Retirement Expr. 1990 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.6
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	145-R1	4.86	144-R1	4.24
2	166-S.5	6.72	165-S.5	5.90
3	111-R1.5	8.01	110-R1.5	7.02
4	175-R0.5	11.36	175-R0.5	9.27
5	172-L0	16.39	170-L0	14.42
6	84-R2	20.52	82-R2	18.11
7	134-L0.5	21.26	132-L0.5	18.77
8	111-S0	34.10	109-S0	30.24
9	69-R2.5	38.42	68-R2.5	34.22
10	103-L1	45.12	101-L1	40.30
11	91-S0.5	48.57	90-S0.5	43.38
12	86-L1.5	61.73	84-L1.5	55.53
13	58-R3	87.20	57-R3	78.71
14	76-S1	91.77	74-S1	83.03
15	71-L2	104.11	70-L2	94.26
16	175-O1	107.54	175-O1	95.07
17	175-SC	107.54	175-SC	95.07
18	67-S1.5	111.97	65-S1.5	101.81
19	59-S2	168.14	58-S2	154.05
20	56-L3	175.71	55-L3	160.58
21	48-R4	195.28	47-R4	178.86
22	175-O2	211.67	175-O2	188.94
23	51-S3	247.28	49-S3	228.56
24	48-L4	259.56	47-L4	240.07
25	42-R5	340.30	41-R5	315.57
26	44-S4	343.89	43-S4	318.01
27	43-L5	356.17	42-L5	331.04
28	41-S5	417.89	40-S5	389.54
29	38-S6	476.24	37-S6	442.90
30	35-SQ	573.95	34-SQ	531.62
31	175-O3	1029.20	175-O3	932.17
32	175-O4	2823.90	175-O4	2572.20

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 1991 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	148-R1	3.97	147-R1	3.45
2	169-S.5	5.56	168-S.5	4.87
3	113-R1.5	6.66	112-R1.5	5.82
4	174-L0	14.17	175-R0.5	11.74
5	175-R0.5	14.19	172-L0	12.49
6	85-R2	17.76	83-R2	15.69
7	136-L0.5	18.54	134-L0.5	16.37
8	112-S0	30.41	111-S0	27.03
9	70-R2.5	34.14	69-R2.5	30.43
10	104-L1	40.47	102-L1	36.19
11	92-S0.5	43.81	91-S0.5	39.16
12	87-L1.5	56.08	85-L1.5	50.41
13	59-R3	79.83	57-R3	72.26
14	76-S1	84.47	75-S1	76.55
15	72-L2	95.88	70-L2	86.74
16	67-S1.5	103.56	66-S1.5	94.12
17	175-O1	118.52	175-O1	105.17
18	175-SC	118.52	175-SC	105.17
19	60-S2	157.35	58-S2	144.04
20	57-L3	163.98	55-L3	150.03
21	49-R4	182.68	47-R4	167.82
22	175-O2	227.24	175-O2	203.30
23	51-S3	232.74	50-S3	215.10
24	48-L4	244.88	47-L4	226.19
25	42-R5	322.44	41-R5	298.75
26	45-S4	326.03	43-S4	301.90
27	43-L5	337.72	42-L5	313.63
28	41-S5	396.82	40-S5	369.66
29	38-S6	454.52	37-S6	422.46
30	35-SQ	547.78	34-SQ	507.07
31	175-O3	1064.00	175-O3	964.48
32	175-O4	2881.80	175-O4	2626.20

Observed Life Table

Retirement Expr. 1992 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	147-R1	4.20	146-R1	3.65
2	168-S.5	5.87	167-S.5	5.15
3	112-R1.5	7.04	111-R1.5	6.15
4	175-R0.5	13.09	175-R0.5	10.78
5	174-L0	14.81	171-L0	13.05
6	84-R2	18.55	83-R2	16.36
7	135-L0.5	19.33	133-L0.5	17.08
8	112-S0	31.50	110-S0	27.98
9	70-R2.5	35.48	68-R2.5	31.56
10	103-L1	41.87	101-L1	37.44
11	92-S0.5	45.22	90-S0.5	40.43
12	86-L1.5	57.82	85-L1.5	51.96
13	59-R3	82.19	57-R3	74.18
14	76-S1	86.65	74-S1	78.60
15	72-L2	98.52	70-L2	89.03
16	67-S1.5	106.10	66-S1.5	96.53
17	175-O1	114.64	175-O1	101.61
18	175-SC	114.64	175-SC	101.61
19	59-S2	160.81	58-S2	147.11
20	57-L3	167.78	55-L3	153.29
21	49-R4	186.78	47-R4	171.23
22	175-O2	221.79	175-O2	198.29
23	51-S3	237.32	50-S3	219.45
24	48-L4	249.49	47-L4	230.56
25	42-R5	328.20	41-R5	304.17
26	45-S4	332.09	43-S4	307.05
27	43-L5	343.69	42-L5	319.25
28	41-S5	403.76	40-S5	376.20
29	38-S6	461.70	37-S6	429.20
30	35-SQ	556.61	34-SQ	515.33
31	175-O3	1052.00	175-O3	953.34
32	175-O4	2861.90	175-O4	2607.70

Observed Life Table

Retirement Expr. 1993 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	147-R1	4.08	146-R1	3.54
2	168-S.5	5.74	167-S.5	5.01
3	112-R1.5	6.90	111-R1.5	6.00
4	175-R0.5	12.93	175-R0.5	10.67
5	173-L0	14.63	171-L0	12.82
6	84-R2	18.34	83-R2	16.12
7	135-L0.5	19.13	133-L0.5	16.82
8	112-S0	31.26	110-S0	27.64
9	70-R2.5	35.23	68-R2.5	31.23
10	103-L1	41.58	101-L1	37.07
11	92-S0.5	44.93	90-S0.5	40.03
12	86-L1.5	57.48	85-L1.5	51.53
13	59-R3	81.86	57-R3	73.70
14	76-S1	86.26	74-S1	78.06
15	72-L2	98.15	70-L2	88.50
16	67-S1.5	105.69	66-S1.5	95.99
17	175-O1	114.36	175-O1	101.45
18	175-SC	114.36	175-SC	101.45
19	59-S2	160.33	58-S2	146.49
20	57-L3	167.39	55-L3	152.70
21	49-R4	186.42	47-R4	170.65
22	175-O2	221.42	175-O2	198.10
23	51-S3	236.94	50-S3	218.92
24	48-L4	249.10	47-L4	230.00
25	42-R5	327.99	41-R5	303.77
26	45-S4	331.93	43-S4	306.60
27	43-L5	343.52	42-L5	318.89
28	41-S5	403.77	40-S5	376.00
29	38-S6	461.75	37-S6	429.05
30	35-SQ	556.96	34-SQ	515.45
31	175-O3	1051.30	175-O3	953.02
32	175-O4	2860.80	175-O4	2607.20

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 1994 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.8
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	150-R1	4.06	148-R1	3.53
2	171-S.5	5.72	169-S.5	5.01
3	114-R1.5	6.77	113-R1.5	5.92
4	175-L0	14.60	174-L0	12.81
5	175-R0.5	16.07	175-R0.5	13.43
6	85-R2	17.81	84-R2	15.69
7	137-L0.5	18.84	135-L0.5	16.61
8	113-S0	30.81	111-S0	27.33
9	70-R2.5	33.95	69-R2.5	30.18
10	104-L1	40.42	102-L1	36.15
11	93-S0.5	43.96	91-S0.5	39.26
12	87-L1.5	55.88	86-L1.5	50.25
13	59-R3	78.88	58-R3	71.26
14	77-S1	84.15	75-S1	76.11
15	72-L2	94.91	70-L2	86.01
16	68-S1.5	102.81	66-S1.5	93.24
17	175-O1	124.20	175-O1	110.43
18	175-SC	124.20	175-SC	110.43
19	60-S2	155.15	58-S2	142.38
20	57-L3	161.35	55-L3	148.02
21	49-R4	179.42	48-R4	164.81
22	51-S3	228.75	175-O2	210.63
23	175-O2	235.11	50-S3	211.17
24	48-L4	240.85	47-L4	222.27
25	42-R5	316.19	41-R5	292.79
26	45-S4	319.22	43-S4	296.43
27	43-L5	331.06	42-L5	307.24
28	41-S5	388.34	40-S5	361.55
29	38-S6	445.57	37-S6	413.95
30	35-SQ	535.72	34-SQ	495.68
31	175-O3	1081.00	175-O3	980.36
32	175-O4	2909.70	175-O4	2652.30

Observed Life Table

Retirement Expr. 1995 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 93.7
Sum Of Life Tabl 33.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	147-R1	4.77	145-R1	4.14
2	168-S.5	6.65	166-S.5	5.80
3	112-R1.5	7.86	111-R1.5	6.85
4	175-R0.5	12.92	175-R0.5	10.64
5	173-L0	16.34	171-L0	14.30
6	84-R2	20.05	83-R2	17.65
7	135-L0.5	21.04	133-L0.5	18.50
8	112-S0	33.81	110-S0	29.88
9	70-R2.5	37.62	68-R2.5	33.36
10	103-L1	44.27	101-L1	39.49
11	92-S0.5	47.90	90-S0.5	42.67
12	86-L1.5	60.66	85-L1.5	54.42
13	59-R3	85.40	57-R3	76.94
14	76-S1	90.17	74-S1	81.63
15	72-L2	102.16	70-L2	92.18
16	67-S1.5	109.82	66-S1.5	99.79
17	175-O1	113.10	175-O1	100.25
18	175-SC	113.10	175-SC	100.25
19	59-S2	164.98	58-S2	150.82
20	57-L3	171.98	55-L3	157.01
21	49-R4	190.95	47-R4	174.94
22	175-O2	219.52	175-O2	196.28
23	51-S3	241.70	50-S3	223.40
24	48-L4	253.92	47-L4	234.55
25	42-R5	332.59	41-R5	308.12
26	45-S4	336.48	43-S4	311.01
27	43-L5	348.08	42-L5	323.20
28	41-S5	408.14	40-S5	380.13
29	38-S6	466.07	37-S6	433.13
30	35-SQ	560.98	34-SQ	519.26
31	175-O3	1046.60	175-O3	948.54
32	175-O4	2852.70	175-O4	2599.50

Observed Life Table

Retirement Expr. 1996 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 94.0
Sum Of Life Tabl 33.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	155-R1	4.55	154-R1	4.03
2	175-S.5	6.34	175-S.5	5.56
3	118-R1.5	7.22	117-R1.5	6.40
4	175-L0	16.35	175-L0	13.92
5	88-R2	17.80	86-R2	15.81
6	141-L0.5	19.23	139-L0.5	17.08
7	175-R0.5	23.56	175-R0.5	20.07
8	116-S0	31.08	114-S0	27.70
9	72-R2.5	33.01	70-R2.5	29.58
10	106-L1	39.68	105-L1	35.62
11	95-S0.5	43.53	93-S0.5	39.04
12	89-L1.5	54.53	87-L1.5	49.24
13	60-R3	75.64	59-R3	68.65
14	78-S1	81.90	76-S1	74.46
15	73-L2	91.25	71-L2	82.97
16	69-S1.5	99.23	67-S1.5	90.30
17	175-O1	144.23	175-O1	128.62
18	175-SC	144.23	175-SC	128.62
19	60-S2	148.83	59-S2	136.52
20	57-L3	153.60	56-L3	140.72
21	49-R4	169.89	48-R4	156.09
22	51-S3	217.28	50-S3	200.44
23	49-L4	228.95	47-L4	211.73
24	175-O2	262.33	175-O2	235.41
25	42-R5	297.64	41-R5	275.80
26	45-S4	298.75	44-S4	277.82
27	43-L5	311.18	42-L5	288.90
28	41-S5	362.23	40-S5	337.34
29	39-S6	416.39	37-S6	388.40
30	35-SQ	497.45	34-SQ	460.36
31	175-O3	1138.20	175-O3	1032.70
32	175-O4	3002.70	175-O4	2737.60

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 1997 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 94.4
Sum Of Life Tabl 33.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	165-R1	3.88	164-R1	3.46
2	125-R1.5	5.99	124-R1.5	5.34
3	175-S.5	8.36	175-S.5	6.87
4	92-R2	14.60	90-R2	12.99
5	147-L0.5	16.32	145-L0.5	14.50
6	175-L0	19.58	175-L0	16.01
7	121-S0	26.89	119-S0	23.97
8	74-R2.5	27.22	73-R2.5	24.36
9	110-L1	33.51	108-L1	30.13
10	98-S0.5	37.47	97-S0.5	33.63
11	175-R0.5	39.08	175-R0.5	34.09
12	92-L1.5	46.61	90-L1.5	42.08
13	61-R3	64.22	60-R3	58.15
14	80-S1	71.20	78-S1	64.82
15	75-L2	78.34	73-L2	71.14
16	70-S1.5	85.83	69-S1.5	78.29
17	62-S2	129.53	60-S2	119.09
18	58-L3	132.63	57-L3	121.64
19	50-R4	146.53	49-R4	134.89
20	175-O1	182.05	175-O1	163.40
21	175-SC	182.05	175-SC	163.40
22	52-S3	188.84	51-S3	174.72
23	49-L4	199.58	48-L4	184.74
24	43-R5	258.61	42-R5	240.56
25	45-S4	260.33	44-S4	241.48
26	44-L5	272.59	42-L5	253.57
27	175-O2	312.82	175-O2	281.96
28	41-S5	315.45	40-S5	293.32
29	39-S6	359.91	38-S6	335.90
30	35-SQ	432.54	34-SQ	399.77
31	175-O3	1241.60	175-O3	1128.50
32	175-O4	3169.60	175-O4	2892.50

Observed Life Table

Retirement Expr. 1998 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 94.7
Sum Of Life Tabl 33.5

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	173-R1	4.51	171-R1	4.09
2	130-R1.5	6.55	129-R1.5	5.91
3	175-S.5	13.50	175-S.5	11.20
4	95-R2	14.65	93-R2	13.17
5	152-L0.5	16.69	150-L0.5	14.96
6	175-L0	26.33	175-L0	21.61
7	76-R2.5	26.37	75-R2.5	23.77
8	124-S0	27.02	123-S0	24.25
9	113-L1	32.67	111-L1	29.56
10	101-S0.5	36.84	99-S0.5	33.23
11	94-L1.5	45.15	92-L1.5	41.00
12	175-R0.5	52.65	175-R0.5	46.24
13	63-R3	60.94	61-R3	55.54
14	82-S1	68.75	80-S1	62.76
15	76-L2	74.60	75-L2	68.15
16	72-S1.5	82.12	70-S1.5	75.10
17	63-S2	122.69	61-S2	113.16
18	59-L3	124.54	58-L3	114.87
19	51-R4	137.35	49-R4	126.89
20	53-S3	176.80	51-S3	164.40
21	50-L4	187.05	49-L4	174.27
22	175-O1	210.16	175-O1	188.85
23	175-SC	210.16	175-SC	188.85
24	43-R5	238.43	42-R5	222.14
25	46-S4	241.49	44-S4	224.93
26	44-L5	251.08	43-L5	234.41
27	41-S5	290.84	40-S5	270.73
28	39-S6	327.36	38-S6	305.96
29	175-O2	349.27	175-O2	315.01
30	35-SQ	393.10	34-SQ	363.63
31	175-O3	1312.80	175-O3	1193.20
32	175-O4	3282.30	175-O4	2995.20

Observed Life Table

Retirement Expr. 1999 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 94.7
Sum Of Life Tabl 33.5

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	171-R1	5.65	169-R1	5.06
2	129-R1.5	8.02	127-R1.5	7.18
3	175-S.5	13.63	175-S.5	11.30
4	94-R2	17.05	93-R2	15.28
5	151-L0.5	19.34	149-L0.5	17.23
6	175-L0	27.16	175-L0	22.31
7	76-R2.5	29.72	75-R2.5	26.77
8	124-S0	30.51	122-S0	27.26
9	113-L1	36.47	111-L1	32.91
10	100-S0.5	40.98	99-S0.5	36.85
11	93-L1.5	49.73	175-R0.5	43.73
12	175-R0.5	49.99	92-L1.5	45.05
13	62-R3	66.29	61-R3	60.25
14	82-S1	74.51	80-S1	67.87
15	76-L2	80.59	74-L2	73.50
16	71-S1.5	88.28	70-S1.5	80.73
17	62-S2	130.23	61-S2	119.99
18	59-L3	132.12	58-L3	121.93
19	51-R4	145.28	49-R4	133.99
20	53-S3	185.54	51-S3	172.34
21	50-L4	195.97	48-L4	182.46
22	175-O1	203.48	175-O1	182.57
23	175-SC	203.48	175-SC	182.57
24	43-R5	248.02	42-R5	231.16
25	46-S4	251.22	44-S4	233.78
26	44-L5	260.81	43-L5	243.58
27	41-S5	300.81	40-S5	280.12
28	39-S6	338.00	175-O2	306.66
29	175-O2	340.37	38-S6	315.96
30	35-SQ	404.35	34-SQ	374.18
31	175-O3	1294.50	175-O3	1176.10
32	175-O4	3252.70	175-O4	2967.40

New York State Electric and Gas Corporation

Gas Division

376.20 DISTR. MAINS - PLASTIC

Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 2000 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 94.8
Sum Of Life Tabl 33.5

Curve Fitting Period

Rank	Full: Life/ Curve	Full: Least Sum Of Square	15 - 85% Of ASL: Life/ Curve	15 - 85% Of ASL: Least Sum Of Square
1	171-R1	7.45	170-R1	6.60
2	129-R1.5	10.14	128-R1.5	8.99
3	175-S.5	16.24	175-S.5	13.41
4	94-R2	20.00	93-R2	17.81
5	152-L0.5	22.54	150-L0.5	19.97
6	175-L0	31.00	175-L0	25.40
7	76-R2.5	33.40	75-R2.5	29.96
8	124-S0	34.44	122-S0	30.63
9	113-L1	40.56	111-L1	36.50
10	101-S0.5	45.35	99-S0.5	40.66
11	175-R0.5	52.77	175-R0.5	45.89
12	94-L1.5	54.33	92-L1.5	49.14
13	63-R3	71.19	61-R3	64.80
14	82-S1	79.93	80-S1	72.78
15	76-L2	86.08	75-L2	78.44
16	72-S1.5	94.00	70-S1.5	85.88
17	63-S2	136.33	61-S2	125.86
18	59-L3	138.21	58-L3	127.43
19	51-R4	150.93	50-R4	139.80
20	53-S3	191.44	52-S3	178.37
21	50-L4	201.96	175-O1	185.46
22	175-O1	207.34	175-SC	185.46
23	175-SC	207.34	49-L4	188.30
24	43-R5	252.95	42-R5	236.11
25	46-S4	255.60	44-S4	239.38
26	44-L5	265.50	43-L5	248.32
27	41-S5	304.61	40-S5	284.17
28	39-S6	338.78	175-O2	310.04
29	175-O2	344.95	38-S6	317.28
30	35-SQ	402.43	34-SQ	373.07
31	175-O3	1301.90	175-O3	1181.40
32	175-O4	3263.30	175-O4	2974.90

Observed Life Table

Retirement Expr. 2001 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 94.6
Sum Of Life Tabl 33.4

Curve Fitting Period

Rank	Full: Life/ Curve	Full: Least Sum Of Square	15 - 85% Of ASL: Life/ Curve	15 - 85% Of ASL: Least Sum Of Square
1	165-R1	10.28	163-R1	9.08
2	125-R1.5	13.64	124-R1.5	12.08
3	175-S.5	15.92	175-S.5	13.31
4	92-R2	25.52	91-R2	22.75
5	148-L0.5	28.18	146-L0.5	24.95
6	175-L0	31.10	175-L0	25.76
7	75-R2.5	41.15	74-R2.5	37.00
8	121-S0	41.65	119-S0	37.02
9	175-R0.5	44.30	175-R0.5	38.06
10	111-L1	49.03	109-L1	44.12
11	99-S0.5	54.13	97-S0.5	48.57
12	92-L1.5	64.46	91-L1.5	58.32
13	62-R3	83.54	61-R3	76.13
14	81-S1	92.60	79-S1	84.28
15	75-L2	99.85	74-L2	90.96
16	71-S1.5	108.23	69-S1.5	98.98
17	62-S2	154.38	61-S2	142.65
18	59-L3	156.95	57-L3	144.94
19	50-R4	170.86	49-R4	157.85
20	175-O1	186.15	175-O1	165.63
21	175-SC	186.15	175-SC	165.63
22	53-S3	214.58	51-S3	199.21
23	50-L4	225.67	48-L4	209.90
24	43-R5	280.12	42-R5	261.89
25	45-S4	283.57	44-S4	264.23
26	44-L5	293.44	43-L5	274.89
27	175-O2	316.64	175-O2	283.50
28	41-S5	334.12	40-S5	312.23
29	39-S6	372.12	38-S6	348.91
30	35-SQ	439.08	34-SQ	407.67
31	175-O3	1243.60	175-O3	1126.60
32	175-O4	3168.90	175-O4	2886.10

Observed Life Table

Retirement Expr. 2002 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 94.6
Sum Of Life Tabl 33.4

Curve Fitting Period

Rank	Full: Life/ Curve	Full: Least Sum Of Square	15 - 85% Of ASL: Life/ Curve	15 - 85% Of ASL: Least Sum Of Square
1	161-R1	15.15	159-R1	13.43
2	122-R1.5	19.41	175-S.5	16.78
3	175-S.5	19.54	121-R1.5	17.25
4	91-R2	33.83	89-R2	30.23
5	175-L0	36.04	175-L0	30.47
6	145-L0.5	36.74	143-L0.5	32.64
7	175-R0.5	40.96	175-R0.5	34.85
8	74-R2.5	52.01	117-S0	46.51
9	119-S0	52.17	73-R2.5	46.92
10	110-L1	60.83	108-L1	54.91
11	98-S0.5	66.47	96-S0.5	59.75
12	91-L1.5	78.12	90-L1.5	70.86
13	61-R3	99.55	60-R3	90.76
14	80-S1	109.08	78-S1	99.57
15	75-L2	117.29	73-L2	107.11
16	70-S1.5	126.29	69-S1.5	115.79
17	175-O1	172.54	175-O1	152.60
18	175-SC	172.54	175-SC	152.60
19	62-S2	176.06	60-S2	163.11
20	59-L3	179.28	57-L3	165.53
21	50-R4	193.48	49-R4	179.37
22	52-S3	239.51	51-S3	223.06
23	49-L4	251.24	48-L4	234.16
24	175-O2	297.36	175-O2	265.05
25	43-R5	308.23	42-R5	288.87
26	45-S4	311.17	44-S4	290.80
27	44-L5	321.97	43-L5	302.33
28	41-S5	363.36	40-S5	340.37
29	39-S6	403.04	38-S6	378.59
30	35-SQ	471.48	34-SQ	438.64
31	175-O3	1200.40	175-O3	1085.20
32	175-O4	3096.70	175-O4	2816.90

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 2003 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 94.8
Sum Of Life Tabl 33.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	171-R1	15.51	169-R1	13.63
2	129-R1.5	19.24	128-R1.5	16.98
3	175-S.5	24.87	175-S.5	21.00
4	95-R2	31.87	93-R2	28.39
5	152-L0.5	35.63	150-L0.5	31.55
6	175-L0	43.45	175-L0	36.34
7	77-R2.5	47.70	75-R2.5	42.88
8	124-S0	50.29	122-S0	44.75
9	114-L1	56.40	175-R0.5	50.64
10	175-R0.5	58.22	112-L1	50.82
11	101-S0.5	62.64	99-S0.5	56.24
12	94-L1.5	72.17	93-L1.5	65.39
13	63-R3	89.82	62-R3	81.94
14	82-S1	100.79	81-S1	91.99
15	77-L2	106.99	75-L2	97.61
16	72-S1.5	115.23	70-S1.5	105.70
17	63-S2	158.80	62-S2	147.14
18	59-L3	160.71	58-L3	148.41
19	51-R4	172.24	50-R4	159.78
20	175-O1	210.08	175-O1	187.82
21	175-SC	210.08	175-SC	187.82
22	53-S3	213.07	52-S3	198.76
23	50-L4	223.60	49-L4	208.81
24	43-R5	272.34	42-R5	254.76
25	46-S4	274.40	45-S4	257.31
26	44-L5	284.40	43-L5	266.47
27	42-S5	321.87	40-S5	301.15
28	175-O2	346.49	175-O2	311.33
29	39-S6	353.28	38-S6	331.08
30	35-SQ	415.16	34-SQ	384.21
31	175-O3	1297.80	175-O3	1177.70
32	175-O4	3252.00	175-O4	2964.80

Observed Life Table

Retirement Expr. 2004 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 95.5
Sum Of Life Tabl 33.5

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	175-R1	20.35	175-R1	17.34
2	139-R1.5	22.67	137-R1.5	19.83
3	100-R2	34.33	99-R2	30.36
4	162-L0.5	38.87	175-S.5	33.10
5	175-S.5	39.61	159-L0.5	34.20
6	81-R2.5	48.64	79-R2.5	43.44
7	131-S0	53.26	129-S0	47.14
8	119-L1	57.44	175-L0	50.92
9	175-L0	61.50	117-L1	51.48
10	106-S0.5	64.34	104-S0.5	57.49
11	99-L1.5	72.22	97-L1.5	65.21
12	175-R0.5	86.48	175-R0.5	75.02
13	65-R3	87.09	64-R3	79.07
14	86-S1	99.37	84-S1	90.35
15	79-L2	103.82	77-L2	94.56
16	75-S1.5	111.66	73-S1.5	101.98
17	65-S2	150.11	63-S2	138.81
18	61-L3	150.54	60-L3	139.22
19	52-R4	159.69	51-R4	147.84
20	54-S3	196.06	53-S3	182.71
21	51-L4	205.73	50-L4	192.06
22	44-R5	244.87	43-R5	229.55
23	46-S4	247.09	45-S4	230.97
24	45-L5	256.03	175-O1	233.37
25	175-O1	262.07	175-SC	233.37
26	175-SC	262.07	44-L5	240.47
27	42-S5	282.68	41-S5	265.57
28	39-S6	308.25	38-S6	289.37
29	35-SQ	356.52	34-SQ	331.42
30	175-O2	412.13	175-O2	369.03
31	175-O3	1420.20	175-O3	1285.90
32	175-O4	3442.20	175-O4	3133.60

Observed Life Table

Retirement Expr. 2005 - 2008
Placement Years 1968 - 2008

Max Exposure Age 35
Life Table % Surviving 95.1
Sum Of Life Tabl 33.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	173-R1	24.43	171-R1	21.00
2	131-R1.5	28.90	129-R1.5	25.00
3	175-S.5	35.97	175-S.5	29.98
4	96-R2	43.37	94-R2	38.09
5	154-L0.5	48.09	152-L0.5	42.00
6	175-L0	57.89	175-L0	48.04
7	78-R2.5	60.75	76-R2.5	53.98
8	126-S0	64.63	124-S0	56.86
9	175-R0.5	69.73	175-R0.5	59.82
10	115-L1	70.55	113-L1	62.93
11	102-S0.5	77.90	101-S0.5	69.22
12	96-L1.5	87.60	94-L1.5	78.71
13	64-R3	105.57	62-R3	95.63
14	83-S1	118.17	81-S1	107.12
15	77-L2	124.12	76-L2	112.62
16	73-S1.5	132.71	71-S1.5	120.90
17	64-S2	176.72	62-S2	162.89
18	60-L3	177.82	59-L3	164.08
19	51-R4	188.99	50-R4	174.48
20	175-O1	224.41	175-O1	199.04
21	175-SC	224.41	175-SC	199.04
22	53-S3	229.73	52-S3	213.38
23	50-L4	240.23	49-L4	223.52
24	43-R5	286.10	42-R5	267.18
25	46-S4	286.99	45-S4	268.58
26	44-L5	297.46	43-L5	278.22
27	42-S5	329.77	41-S5	309.64
28	39-S6	358.65	175-O2	323.95
29	175-O2	362.68	38-S6	336.43
30	35-SQ	414.48	34-SQ	384.28
31	175-O3	1321.40	175-O3	1195.70
32	175-O4	3283.90	175-O4	2989.00

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 35 Years

Observed Life Table

Retirement Expr. 2006 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 94.9
Sum Of Life Tabl 33.2

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	156-R1	52.58	153-R1	45.68
2	175-S.5	58.64	175-S.5	50.82
3	119-R1.5	60.50	117-R1.5	52.82
4	175-R0.5	67.26	175-R0.5	56.37
5	90-R2	84.31	175-L0	72.47
6	175-L0	84.43	88-R2	74.51
7	143-L0.5	89.59	141-L0.5	78.71
8	74-R2.5	110.96	72-R2.5	99.16
9	118-S0	112.99	116-S0	99.78
10	110-L1	123.95	107-L1	110.96
11	97-S0.5	132.77	95-S0.5	118.36
12	91-L1.5	147.53	89-L1.5	132.87
13	62-R3	173.70	60-R3	157.77
14	175-O1	184.35	175-O1	159.27
15	175-SC	184.35	175-SC	159.27
16	80-S1	188.12	78-S1	170.73
17	75-L2	197.49	73-L2	179.69
18	71-S1.5	208.39	69-S1.5	190.13
19	62-S2	265.51	61-S2	245.22
20	59-L3	268.05	57-L3	247.87
21	51-R4	282.58	49-R4	261.57
22	175-O2	301.80	175-O2	264.06
23	53-S3	331.81	51-S3	309.69
24	50-L4	344.19	49-L4	321.83
25	43-R5	398.83	42-R5	374.07
26	46-S4	401.23	45-S4	377.24
27	44-L5	412.08	43-L5	387.13
28	42-S5	451.28	40-S5	424.16
29	39-S6	483.14	38-S6	455.36
30	35-SQ	543.48	34-SQ	507.86
31	175-O3	1172.50	175-O3	1050.80
32	175-O4	3028.70	175-O4	2741.30

Observed Life Table

Retirement Expr. 2007 - 2008
Placement Years 1968 - 2008
Max Exposure Age 35
Life Table % Surviving 99
Sum Of Life Tabl 34.3

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	175-R2.5	1.66	175-R2.5	1.27
2	120-R3	2.10	117-R3	1.89
3	175-L1.5	3.08	175-L1.5	2.40
4	148-S1	4.24	145-S1	3.89
5	134-L2	4.44	131-L2	4.08
6	122-S1.5	4.61	119-S1.5	4.23
7	72-R4	6.40	70-R4	5.91
8	93-S2	7.19	91-S2	6.66
9	88-L3	7.35	175-S0.5	6.69
10	175-S0.5	8.48	85-L3	6.80
11	70-S3	9.99	68-S3	9.31
12	65-L4	11.37	63-L4	10.63
13	54-S4	13.11	53-S4	12.32
14	51-R5	13.17	50-R5	12.35
15	52-L5	14.31	50-L5	13.47
16	46-S5	15.14	45-S5	14.29
17	41-S6	16.59	175-R2	14.46
18	175-R2	16.96	40-S6	15.56
19	35-SQ	18.75	175-L1	16.47
20	175-L1	20.14	34-SQ	17.69
21	175-S0	45.65	175-S0	38.37
22	175-R1.5	91.88	175-R1.5	81.65
23	175-L0.5	134.34	175-L0.5	117.07
24	175-R1	228.54	175-R1	205.33
25	175-S.5	328.58	175-S.5	294.48
26	175-L0	355.21	175-L0	314.32
27	175-R0.5	505.83	175-R0.5	458.03
28	175-O1	892.57	175-O1	811.39
29	175-SC	892.57	175-SC	811.39
30	175-O2	1162.00	175-O2	1057.00
31	175-O3	2670.20	175-O3	2435.00
32	175-O4	5293.00	175-O4	4837.30

Exhibit 178

New York State Electric and Gas Corporation
Gas Division
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Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. **1979 - 2008**
Placement Years **1966 - 2008**
Max Exposure Age 40
Life Table % Surviving 79.7
Sum Of Life Tabl 35.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	145-O3	9.55	142-O3	2.40
2	89-O1	11.59	98-O2	2.43
3	89-SC	11.59	87-O1	2.49
4	100-O2	11.63	87-SC	2.49
5	74-R0.5	22.68	72-R0.5	5.20
6	72-S.5	63.17	60-R1	25.46
7	62-R1	67.33	70-S.5	25.65
8	82-L0	101.67	79-L0	51.29
9	175-O4	145.19	175-O4	80.90
10	55-R1.5	172.40	52-R1.5	83.68
11	72-L0.5	212.11	68-L0.5	118.77
12	62-S0	263.32	59-S0	154.67
13	50-R2	414.56	47-R2	239.43
14	57-S0.5	448.82	53-S0.5	277.91
15	64-L1	464.12	60-L1	294.14
16	58-L1.5	680.39	44-R2.5	436.57
17	47-R2.5	702.11	54-L1.5	440.04
18	53-S1	782.01	49-S1	516.17
19	50-S1.5	1061.30	46-S1.5	713.67
20	54-L2	1137.90	50-L2	769.59
21	45-R3	1177.80	41-R3	780.31
22	48-S2	1518.40	44-S2	1050.80
23	48-L3	1932.60	44-L3	1348.20
24	43-R4	2150.40	39-R4	1493.10
25	45-S3	2339.40	41-S3	1660.10
26	44-L4	2678.80	40-L4	1899.60
27	43-S4	3422.00	39-S4	2476.10
28	41-R5	3657.20	38-R5	2655.80
29	42-L5	3730.70	38-L5	2712.60
30	42-S5	4411.80	38-S5	3239.70
31	41-S6	5189.20	37-S6	3850.80
32	40-SQ	6710.50	36-SQ	5087.10

Observed Life Table

Retirement Expr. **2004 - 2008**
Placement Years **1966 - 2008**
Max Exposure Age 40
Life Table % Surviving 87.0
Sum Of Life Tabl 37.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	115-S.5	3.61	78-R1.5	2.28
2	98-R1	3.93	114-S.5	3.04
3	80-R1.5	4.58	98-R1	3.58
4	126-R0.5	8.48	124-L0	6.32
5	126-L0	9.35	128-R0.5	7.23
6	158-O1	11.82	161-O1	9.51
7	158-SC	11.82	161-SC	9.51
8	175-O2	12.03	175-O2	10.95
9	103-L0.5	19.40	100-L0.5	11.26
10	66-R2	30.99	64-R2	15.16
11	87-S0	35.61	85-S0	22.74
12	76-S0.5	69.43	72-S0.5	44.01
13	85-L1	71.81	82-L1	44.21
14	59-R2.5	81.71	56-R2.5	45.00
15	74-L1.5	113.40	70-L1.5	70.66
16	67-S1	161.49	63-S1	106.93
17	53-R3	206.17	50-R3	126.95
18	61-S1.5	226.39	57-S1.5	148.63
19	65-L2	236.31	61-L2	150.37
20	56-S2	369.40	52-S2	248.69
21	55-L3	454.69	51-L3	295.89
22	175-O3	491.37	44-R4	334.76
23	48-R4	512.63	175-O3	391.63
24	50-S3	624.86	46-S3	421.71
25	48-L4	682.64	44-L4	455.39
26	46-S4	981.87	42-S4	661.26
27	44-R5	1015.80	40-R5	679.07
28	45-L5	1045.60	41-L5	700.27
29	44-S5	1325.20	40-S5	896.55
30	42-S6	1607.00	38-S6	1094.80
31	40-SQ	2160.00	36-SQ	1511.20
32	175-O4	2248.50	175-O4	1728.80

Observed Life Table

Retirement Expr. **2003 - 2007**
Placement Years **1966 - 2007**
Max Exposure Age 40
Life Table % Surviving 85.6
Sum Of Life Tabl 36.6

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	108-R0.5	3.71	84-R1	1.61
2	150-O2	5.03	98-S.5	2.61
3	133-O1	5.09	107-R0.5	2.71
4	133-SC	5.09	150-O2	4.63
5	85-R1	6.08	133-O1	4.64
6	100-S.5	8.00	133-SC	4.64
7	71-R1.5	22.11	69-R1.5	7.55
8	111-L0	24.08	108-L0	12.12
9	93-L0.5	52.24	89-L0.5	27.21
10	79-S0	77.88	58-R2	44.80
11	61-R2	88.94	76-S0	45.22
12	70-S0.5	141.37	66-S0.5	85.32
13	79-L1	149.68	75-L1	90.33
14	55-R2.5	184.97	52-R2.5	105.16
15	175-O3	187.85	65-L1.5	136.95
16	69-L1.5	223.27	175-O3	137.23
17	62-S1	286.67	59-S1	186.84
18	51-R3	383.92	47-R3	239.42
19	57-S1.5	394.01	54-S1.5	257.89
20	62-L2	416.66	58-L2	268.23
21	54-S2	604.65	50-S2	407.92
22	53-L3	748.00	49-L3	497.18
23	46-R4	828.14	42-R4	557.12
24	49-S3	972.49	45-S3	666.11
25	47-L4	1069.70	43-L4	726.83
26	45-S4	1473.40	41-S4	1022.40
27	175-O4	1517.90	39-R5	1066.60
28	43-R5	1538.70	40-L5	1090.50
29	44-L5	1575.90	175-O4	1121.40
30	43-S5	1925.70	39-S5	1351.10
31	42-S6	2299.00	38-S6	1637.90
32	40-SQ	2998.60	36-SQ	2193.90

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New York State Electric and Gas Corporation

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Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. 2002 - 2006
Placement Years 1966 - 2006
Max Exposure Age 40
Life Table % Surviving 82.8
Sum Of Life Tabl 35.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	88-R0.5	14.73	81-S.5	3.48
2	121-O2	17.42	69-R1	3.59
3	107-O1	17.52	86-R0.5	8.45
4	107-SC	17.52	91-L0	10.47
5	175-O3	18.56	59-R1.5	13.73
6	84-S.5	20.16	119-O2	14.01
7	72-R1	20.93	106-O1	14.08
8	94-L0	36.86	106-SC	14.08
9	62-R1.5	57.23	174-O3	15.66
10	80-L0.5	86.32	77-L0.5	33.25
11	69-S0	116.25	66-S0	52.27
12	55-R2	177.02	51-R2	76.00
13	62-S0.5	217.60	58-S0.5	112.73
14	70-L1	232.68	66-L1	122.03
15	50-R2.5	341.74	47-R2.5	174.18
16	63-L1.5	356.36	59-L1.5	197.10
17	57-S1	428.46	53-S1	251.01
18	53-S1.5	602.81	49-S1.5	364.65
19	47-R3	647.58	44-R3	378.56
20	57-L2	656.81	53-L2	395.54
21	175-O4	675.87	175-O4	481.23
22	50-S2	914.46	46-S2	582.05
23	50-L3	1187.20	46-L3	756.67
24	44-R4	1313.20	40-R4	846.37
25	46-S3	1494.40	43-S3	988.50
26	45-L4	1702.40	41-L4	1121.00
27	44-S4	2272.50	40-S4	1547.00
28	42-R5	2411.40	38-R5	1643.20
29	43-L5	2467.40	39-L5	1681.00
30	42-S5	2992.00	38-S5	2083.70
31	41-S6	3590.10	37-S6	2550.50
32	40-SQ	4639.50	36-SQ	3456.50

Observed Life Table

Retirement Expr. 2001 - 2005
Placement Years 1966 - 2005
Max Exposure Age 40
Life Table % Surviving 79.2
Sum Of Life Tabl 35.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	73-R0.5	36.71	69-S.5	9.72
2	98-O2	40.70	59-R1	12.36
3	88-O1	40.89	78-L0	13.75
4	88-SC	40.89	71-R0.5	20.01
5	142-O3	42.87	97-O2	31.29
6	71-S.5	43.48	86-O1	31.36
7	61-R1	53.29	86-SC	31.36
8	81-L0	57.47	140-O3	35.07
9	54-R1.5	127.74	51-R1.5	35.59
10	70-L0.5	137.30	67-L0.5	48.21
11	175-O4	148.51	58-S0	69.69
12	61-S0	173.72	175-O4	99.45
13	49-R2	331.56	46-R2	142.38
14	56-S0.5	331.58	52-S0.5	159.79
15	63-L1	341.27	59-L1	170.43
16	57-L1.5	544.51	53-L1.5	293.15
17	46-R2.5	601.58	43-R2.5	304.59
18	52-S1	627.35	48-S1	352.32
19	49-S1.5	900.24	45-S1.5	531.17
20	53-L2	980.60	49-L2	582.62
21	44-R3	1058.00	41-R3	609.55
22	47-S2	1344.40	43-S2	838.17
23	48-L3	1801.10	44-L3	1145.40
24	42-R4	2027.80	38-R4	1303.70
25	44-S3	2203.40	40-S3	1448.00
26	44-L4	2600.10	40-L4	1711.40
27	42-S4	3385.90	38-S4	2315.80
28	41-R5	3652.60	37-R5	2503.70
29	42-L5	3733.50	38-L5	2560.80
30	41-S5	4476.30	37-S5	3150.70
31	41-S6	5373.30	37-S6	3873.60
32	40-SQ	6998.10	36-SQ	5267.40

Observed Life Table

Retirement Expr. 2000 - 2004
Placement Years 1966 - 2004
Max Exposure Age 40
Life Table % Surviving 77.7
Sum Of Life Tabl 34.8

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	68-R0.5	51.24	64-S.5	14.51
2	91-O2	53.46	73-L0	18.24
3	81-O1	53.59	55-R1	18.69
4	81-SC	53.59	66-R0.5	26.40
5	131-O3	55.79	89-O2	40.09
6	67-S.5	61.98	79-O1	40.25
7	175-O4	67.94	79-SC	40.25
8	76-L0	75.52	129-O3	45.15
9	58-R1	80.01	175-O4	50.25
10	67-L0.5	173.56	49-R1.5	53.87
11	52-R1.5	181.63	63-L0.5	59.77
12	58-S0	216.22	55-S0	83.52
13	53-S0.5	405.35	44-R2	188.36
14	60-L1	406.74	50-S0.5	189.90
15	48-R2	432.75	57-L1	198.71
16	55-L1.5	654.96	51-L1.5	346.82
17	50-S1	746.48	42-R2.5	388.92
18	45-R2.5	759.11	46-S1	413.09
19	47-S1.5	1077.60	44-S1.5	621.03
20	52-L2	1165.10	48-L2	682.90
21	43-R3	1299.70	40-R3	746.62
22	46-S2	1587.20	42-S2	975.01
23	47-L3	2137.70	43-L3	1351.30
24	41-R4	2443.70	38-R4	1551.00
25	43-S3	2592.80	40-S3	1690.90
26	43-L4	3093.20	39-L4	2034.50
27	42-S4	3973.80	38-S4	2698.60
28	41-R5	4332.10	37-R5	2961.60
29	42-L5	4428.10	38-L5	3042.00
30	41-S5	5245.50	37-S5	3689.00
31	41-S6	6355.40	37-S6	4614.50
32	40-SQ	8217.40	36-SQ	6228.10

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr.	**1999 - 2003**
Placement Years	**1966 - 2003**
Max Exposure Age	40
Life Table % Surviving	76.3
Sum Of Life Tabl	34.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	85-O2	68.71	61-S.5	21.14
2	64-R0.5	68.79	69-L0	22.83
3	75-O1	68.99	52-R1	27.45
4	75-SC	68.99	61-R0.5	34.06
5	122-O3	71.05	83-O2	50.34
6	169-O4	72.70	74-O1	50.61
7	63-S.5	81.84	74-SC	50.61
8	72-L0	93.64	120-O3	56.82
9	55-R1	110.03	166-O4	59.97
10	64-L0.5	209.21	60-L0.5	71.03
11	50-R1.5	242.15	47-R1.5	76.17
12	55-S0	260.27	52-S0	98.35
13	58-L1	469.09	48-S0.5	220.83
14	51-S0.5	480.17	54-L1	224.32
15	46-R2	540.44	43-R2	237.07
16	53-L1.5	764.79	50-L1.5	400.71
17	48-S1	867.34	45-S1	468.34
18	44-R2.5	930.06	41-R2.5	481.71
19	46-S1.5	1246.30	43-S1.5	716.46
20	50-L2	1339.40	46-L2	782.55
21	42-R3	1555.40	39-R3	889.96
22	45-S2	1829.10	41-S2	1114.50
23	46-L3	2470.10	42-L3	1557.00
24	41-R4	2848.80	37-R4	1810.10
25	43-S3	2985.60	39-S3	1928.90
26	43-L4	3610.80	39-L4	2375.50
27	41-S4	4562.70	37-S4	3115.70
28	40-R5	5011.50	36-R5	3463.30
29	41-L5	5109.20	37-L5	3523.50
30	41-S5	6055.90	37-S5	4274.10
31	40-S6	7257.00	36-S6	5275.80
32	40-SQ	9451.30	36-SQ	7202.60

Observed Life Table

Retirement Expr.	**1998 - 2002**
Placement Years	**1966 - 2002**
Max Exposure Age	40
Life Table % Surviving	79.2
Sum Of Life Tabl	35

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	71-R0.5	69.44	66-S.5	25.73
2	85-O1	70.56	75-L0	25.97
3	85-SC	70.56	57-R1	30.84
4	95-O2	70.59	68-R0.5	39.95
5	138-O3	71.88	93-O2	53.10
6	69-S.5	80.04	83-O1	53.33
7	79-L0	92.56	83-SC	53.33
8	60-R1	95.61	135-O3	57.60
9	175-O4	130.71	50-R1.5	58.45
10	69-L0.5	185.74	65-L0.5	62.27
11	53-R1.5	187.98	56-S0	83.42
12	60-S0	225.00	175-O4	84.47
13	55-S0.5	402.02	45-R2	177.66
14	62-L1	409.28	51-S0.5	179.82
15	49-R2	418.74	58-L1	188.25
16	56-L1.5	642.41	52-L1.5	326.67
17	46-R2.5	720.42	42-R2.5	360.94
18	51-S1	724.92	47-S1	385.28
19	48-S1.5	1035.00	45-S1.5	583.35
20	53-L2	1124.80	48-L2	645.67
21	44-R3	1221.40	40-R3	694.38
22	46-S2	1522.10	43-S2	920.34
23	47-L3	2030.30	43-L3	1270.50
24	42-R4	2285.10	38-R4	1447.10
25	44-S3	2462.30	40-S3	1589.60
26	44-L4	2910.70	40-L4	1918.90
27	42-S4	3745.40	38-S4	2557.30
28	41-R5	4037.00	37-R5	2781.90
29	42-L5	4124.60	38-L5	2850.00
30	41-S5	4901.70	37-S5	3483.00
31	41-S6	5831.50	37-S6	4279.50
32	40-SQ	7466.90	36-SQ	5725.40

Observed Life Table

Retirement Expr.	**1997 - 2001**
Placement Years	**1966 - 2001**
Max Exposure Age	40
Life Table % Surviving	78.4
Sum Of Life Tabl	34.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	173-O4	68.11	166-O4	27.83
2	125-O3	71.25	120-O3	27.89
3	87-O2	79.30	74-O1	28.70
4	77-O1	79.33	74-SC	28.70
5	77-SC	79.33	83-O2	28.72
6	65-R0.5	111.99	62-R0.5	36.26
7	65-S.5	181.77	61-S.5	65.49
8	56-R1	211.89	53-R1	78.29
9	73-L0	226.06	69-L0	91.55
10	65-L0.5	405.76	47-R1.5	183.28
11	51-R1.5	408.73	61-L0.5	193.21
12	57-S0	478.59	53-S0	238.23
13	59-L1	757.78	49-S0.5	418.92
14	52-S0.5	760.81	55-L1	423.97
15	47-R2	789.77	43-R2	425.81
16	54-L1.5	1100.30	50-L1.5	649.06
17	49-S1	1221.60	41-R2.5	721.08
18	45-R2.5	1229.20	45-S1	739.62
19	47-S1.5	1633.90	43-S1.5	1027.50
20	51-L2	1742.80	47-L2	1106.00
21	43-R3	1900.50	39-R3	1207.40
22	45-S2	2260.60	41-S2	1490.30
23	47-L3	2895.10	42-L3	1955.30
24	41-R4	3234.20	38-R4	2214.70
25	43-S3	3415.60	39-S3	2358.90
26	43-L4	3953.90	39-L4	2771.50
27	42-S4	4903.30	38-S4	3537.60
28	41-R5	5254.70	37-R5	3825.20
29	42-L5	5355.50	38-L5	3915.10
30	41-S5	6189.80	37-S5	4611.10
31	41-S6	7240.10	37-S6	5547.30
32	40-SQ	9003.40	36-SQ	7113.50

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. 1996 - 2000
Placement Years 1966 - 2000
Max Exposure Age 40
Life Table % Surviving 76.0
Sum Of Life Tabl 33.5

Curve Fitting Period

Rank	Full: Life/ Curve	Full: Least Sum Of Square	15 - 85% Of ASL: Life/ Curve	15 - 85% Of ASL: Least Sum Of Square
1	150-O4	120.90	143-O4	42.21
2	109-O3	130.09	103-O3	45.40
3	76-O2	152.36	64-O1	53.53
4	68-O1	152.54	64-SC	53.53
5	68-SC	152.54	72-O2	53.60
6	58-R0.5	231.63	55-R0.5	89.08
7	58-S.5	354.56	54-S.5	157.06
8	66-L0	410.03	62-L0	192.28
9	51-R1	431.64	48-R1	197.14
10	60-L0.5	696.22	55-L0.5	371.22
11	47-R1.5	767.62	44-R1.5	405.27
12	52-S0	809.72	48-S0	444.79
13	55-L1	1185.90	51-L1	709.38
14	49-S0.5	1223.50	45-S0.5	724.03
15	45-R2	1343.80	41-R2	791.87
16	51-L1.5	1687.70	47-L1.5	1056.20
17	47-S1	1857.40	43-S1	1178.40
18	43-R2.5	1972.40	39-R2.5	1243.00
19	45-S1.5	2429.20	41-S1.5	1597.00
20	49-L2	2553.10	44-L2	1695.30
21	42-R3	2881.00	38-R3	1919.70
22	44-S2	3247.50	40-S2	2216.50
23	45-L3	4087.50	41-L3	2866.80
24	40-R4	4616.60	37-R4	3274.80
25	42-S3	4745.80	38-S3	3381.40
26	42-L4	5516.40	38-L4	3996.50
27	41-S4	6642.10	37-S4	4920.00
28	40-R5	7144.20	36-R5	5346.90
29	41-L5	7260.10	37-L5	5439.40
30	40-S5	8309.30	36-S5	6347.70
31	40-S6	9553.00	36-S6	7441.50
32	40-SQ	1822.00	36-SQ	9487.50

Observed Life Table

Retirement Expr. 1995 - 1999
Placement Years 1966 - 1999
Max Exposure Age 40
Life Table % Surviving 74.8
Sum Of Life Tabl 33.1

Curve Fitting Period

Rank	Full: Life/ Curve	Full: Least Sum Of Square	15 - 85% Of ASL: Life/ Curve	15 - 85% Of ASL: Least Sum Of Square
1	139-O4	172.01	132-O4	65.35
2	101-O3	186.31	96-O3	71.51
3	63-O1	221.20	67-O2	87.32
4	63-SC	221.20	60-O1	87.45
5	71-O2	221.33	60-SC	87.45
6	55-R0.5	337.95	51-R0.5	146.99
7	55-S.5	491.96	52-S.5	239.42
8	63-L0	547.76	59-L0	276.79
9	49-R1	610.14	45-R1	306.22
10	57-L0.5	901.30	53-L0.5	506.73
11	46-R1.5	1042.60	42-R1.5	585.24
12	50-S0	1045.90	46-S0	601.59
13	53-L1	1479.00	49-L1	914.99
14	47-S0.5	1549.90	44-S0.5	955.00
15	43-R2	1736.30	40-R2	1076.90
16	50-L1.5	2091.60	45-L1.5	1351.30
17	45-S1	2286.70	41-S1	1496.10
18	42-R2.5	2489.00	38-R2.5	1627.80
19	44-S1.5	2965.20	40-S1.5	1998.40
20	47-L2	3087.10	43-L2	2096.80
21	41-R3	3535.30	37-R3	2425.70
22	43-S2	3899.30	39-S2	2717.80
23	44-L3	4869.10	40-L3	3482.50
24	40-R4	5504.60	36-R4	3982.90
25	41-S3	5622.30	37-S3	4089.80
26	42-L4	6528.10	38-L4	4826.20
27	41-S4	7775.10	37-S4	5860.20
28	40-R5	8344.60	36-R5	6341.90
29	41-L5	8476.70	37-L5	6460.20
30	40-S5	9572.70	36-S5	7406.80
31	40-S6	0987.00	36-S6	8658.70
32	40-SQ	3552.00	36-SQ	0971.00

Observed Life Table

Retirement Expr. 1994 - 1998
Placement Years 1966 - 1998
Max Exposure Age 40
Life Table % Surviving 72.9
Sum Of Life Tabl 32.5

Curve Fitting Period

Rank	Full: Life/ Curve	Full: Least Sum Of Square	15 - 85% Of ASL: Life/ Curve	15 - 85% Of ASL: Least Sum Of Square
1	127-O4	237.32	120-O4	99.63
2	92-O3	258.76	87-O3	109.36
3	58-O1	311.02	55-O1	134.66
4	58-SC	311.02	55-SC	134.66
5	65-O2	311.74	61-O2	135.05
6	51-R0.5	477.20	48-R0.5	223.60
7	52-S.5	652.99	48-S.5	327.79
8	58-L0	690.30	54-L0	355.28
9	46-R1	841.53	43-R1	444.81
10	54-L0.5	1121.20	50-L0.5	638.10
11	47-S0	1309.00	44-S0	758.97
12	44-R1.5	1395.00	40-R1.5	809.71
13	50-L1	1783.30	46-L1	1105.90
14	45-S0.5	1918.00	41-S0.5	1193.80
15	42-R2	2236.00	38-R2	1411.90
16	47-L1.5	2542.40	43-L1.5	1655.00
17	43-S1	2788.40	40-S1	1828.80
18	41-R2.5	3160.70	37-R2.5	2099.00
19	42-S1.5	3606.40	39-S1.5	2456.40
20	46-L2	3714.50	42-L2	2541.10
21	40-R3	4389.90	36-R3	3052.80
22	41-S2	4700.00	38-S2	3301.60
23	43-L3	5853.70	39-L3	4221.40
24	39-R4	6721.30	35-R4	4937.80
25	40-S3	6741.50	37-S3	4939.00
26	41-L4	7858.70	37-L4	5858.90
27	40-S4	9245.90	36-S4	7021.00
28	39-R5	0025.00	35-R5	7722.30
29	40-L5	0145.00	36-L5	7802.30
30	40-S5	1390.00	36-S5	8888.40
31	40-S6	3067.00	36-S6	0385.00
32	40-SQ	6087.00	36-SQ	3107.00

New York State Electric and Gas Corporation

Gas Division

380.20 SERVICES - PLASTIC

Summary of Curve Fitting Results

5 Year Rolling Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr.	**1993 - 1997**
Placement Years	**1966 - 1997**
Max Exposure Age	40
Life Table % Surviving	71.5
Sum Of Life Tabl	32.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	119-O4	283.40	113-O4	122.86
2	87-O3	311.41	82-O3	136.24
3	55-O1	381.36	58-O2	171.83
4	55-SC	381.36	52-O1	172.54
5	62-O2	381.97	52-SC	172.54
6	49-R0.5	594.10	45-R0.5	291.24
7	49-S.5	786.99	46-S.5	410.81
8	56-L0	809.66	52-L0	428.22
9	45-R1	1040.70	41-R1	568.28
10	51-L0.5	1302.40	48-L0.5	759.18
11	46-S0	1527.60	42-S0	907.25
12	42-R1.5	1685.80	39-R1.5	1013.40
13	48-L1	2035.80	44-L1	1285.70
14	44-S0.5	2226.50	40-S0.5	1405.90
15	41-R2	2648.10	37-R2	1708.80
16	46-L1.5	2903.40	42-L1.5	1915.70
17	42-S1	3192.20	39-S1	2127.20
18	40-R2.5	3696.20	36-R2.5	2503.10
19	41-S1.5	4121.90	38-S1.5	2837.30
20	44-L2	4202.90	40-L2	2911.40
21	39-R3	5076.20	36-R3	3587.80
22	41-S2	5333.10	37-S2	3775.40
23	42-L3	6610.60	38-L3	4811.90
24	40-S3	7590.00	36-S3	5595.10
25	39-R4	7657.90	35-R4	5653.20
26	40-L4	8904.50	36-L4	6708.40
27	39-S4	0405.00	36-S4	7962.70
28	39-R5	1257.00	35-R5	8705.10
29	40-L5	1397.00	36-L5	8817.90
30	39-S5	2796.00	36-S5	0055.00
31	40-S6	4676.00	36-S6	1723.00
32	40-SQ	8024.00	36-SQ	4741.00

New York State Electric and Gas Corporation

Gas Division

380.20 SERVICES - PLASTIC

Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. 1979 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 79.7
Sum Of Life Tabl 35.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	145-O3	9.55	142-O3	2.40
2	89-O1	11.59	98-O2	2.43
3	89-SC	11.59	87-O1	2.49
4	100-O2	11.63	87-SC	2.49
5	74-R0.5	22.68	72-R0.5	5.20
6	72-S.5	63.17	60-R1	25.46
7	62-R1	67.33	70-S.5	25.65
8	82-L0	101.67	79-L0	51.29
9	175-O4	145.19	175-O4	80.90
10	55-R1.5	172.40	52-R1.5	83.68
11	72-L0.5	212.11	68-L0.5	118.77
12	62-S0	263.32	59-S0	154.67
13	50-R2	414.56	47-R2	239.43
14	57-S0.5	448.82	53-S0.5	277.91
15	64-L1	464.12	60-L1	294.14
16	58-L1.5	680.39	44-R2.5	436.57
17	47-R2.5	702.11	54-L1.5	440.04
18	53-S1	782.01	49-S1	516.17
19	50-S1.5	1061.30	46-S1.5	713.67
20	54-L2	1137.90	50-L2	769.59
21	45-R3	1177.80	41-R3	780.31
22	48-S2	1518.40	44-S2	1050.80
23	48-L3	1932.60	44-L3	1348.20
24	43-R4	2150.40	39-R4	1493.10
25	45-S3	2339.40	41-S3	1660.10
26	44-L4	2678.80	40-L4	1899.60
27	43-S4	3422.00	39-S4	2476.10
28	41-R5	3657.20	38-R5	2655.80
29	42-L5	3730.70	38-L5	2712.60
30	42-S5	4411.80	38-S5	3239.70
31	41-S6	5189.20	37-S6	3850.80
32	40-SQ	6710.50	36-SQ	5087.10

Observed Life Table

Retirement Expr. 1980 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 79.7
Sum Of Life Tabl 35.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	145-O3	9.59	142-O3	2.35
2	89-O1	11.65	98-O2	2.41
3	89-SC	11.65	87-O1	2.45
4	100-O2	11.68	87-SC	2.45
5	74-R0.5	22.89	72-R0.5	5.29
6	72-S.5	63.62	60-R1	25.88
7	62-R1	67.87	70-S.5	26.03
8	82-L0	102.36	79-L0	51.79
9	175-O4	143.31	175-O4	79.49
10	55-R1.5	173.54	52-R1.5	84.41
11	72-L0.5	213.44	68-L0.5	119.63
12	62-S0	264.71	59-S0	155.73
13	50-R2	416.55	47-R2	240.94
14	57-S0.5	451.00	53-S0.5	279.35
15	64-L1	466.11	60-L1	295.57
16	58-L1.5	683.01	44-R2.5	438.91
17	47-R2.5	705.03	54-L1.5	441.96
18	53-S1	785.11	49-S1	518.38
19	50-S1.5	1065.10	46-S1.5	716.43
20	54-L2	1141.60	50-L2	772.50
21	45-R3	1182.00	41-R3	783.26
22	48-S2	1523.20	44-S2	1054.50
23	48-L3	1938.00	44-L3	1352.40
24	43-R4	2156.90	39-R4	1498.00
25	45-S3	2345.80	41-S3	1665.10
26	44-L4	2685.70	40-L4	1905.10
27	43-S4	3430.30	39-S4	2482.70
28	41-R5	3665.40	38-R5	2663.10
29	42-L5	3739.10	38-L5	2719.20
30	42-S5	4421.90	38-S5	3247.80
31	41-S6	5200.20	37-S6	3859.80
32	40-SQ	6723.90	36-SQ	5098.20

Observed Life Table

Retirement Expr. 1981 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 79.6
Sum Of Life Tabl 35.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	145-O3	9.69	142-O3	2.30
2	89-O1	11.77	87-O1	2.41
3	89-SC	11.77	87-SC	2.41
4	100-O2	11.80	98-O2	2.42
5	74-R0.5	23.26	72-R0.5	5.47
6	72-S.5	64.38	60-R1	26.60
7	62-R1	68.79	70-S.5	26.68
8	82-L0	103.53	79-L0	52.64
9	175-O4	140.29	175-O4	77.25
10	55-R1.5	175.44	52-R1.5	85.62
11	71-L0.5	215.36	68-L0.5	121.06
12	62-S0	267.03	59-S0	157.48
13	50-R2	419.84	47-R2	243.40
14	56-S0.5	454.46	53-S0.5	281.71
15	64-L1	469.41	60-L1	297.92
16	58-L1.5	687.31	44-R2.5	442.73
17	47-R2.5	709.83	54-L1.5	445.10
18	53-S1	790.20	49-S1	521.98
19	50-S1.5	1071.30	46-S1.5	720.92
20	54-L2	1147.80	50-L2	777.25
21	45-R3	1188.90	41-R3	788.05
22	47-S2	1530.20	44-S2	1060.50
23	48-L3	1946.70	44-L3	1359.20
24	42-R4	2166.80	39-R4	1506.00
25	45-S3	2356.20	41-S3	1673.10
26	44-L4	2697.00	40-L4	1913.90
27	43-S4	3443.80	39-S4	2493.40
28	41-R5	3678.80	38-R5	2675.00
29	42-L5	3752.80	38-L5	2730.00
30	42-S5	4438.20	38-S5	3261.00
31	41-S6	5218.20	37-S6	3874.40
32	40-SQ	6745.60	36-SQ	5116.00

New York State Electric and Gas Corporation

Gas Division

380.20 SERVICES - PLASTIC

Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. 1982 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 79.6
Sum Of Life Tabl 35.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	144-O3	9.89	141-O3	2.23
2	89-O1	12.29	87-O1	2.49
3	89-SC	12.29	87-SC	2.49
4	100-O2	12.32	97-O2	2.51
5	74-R0.5	24.47	72-R0.5	6.14
6	72-S.5	66.69	59-R1	27.77
7	62-R1	71.49	69-S.5	28.05
8	82-L0	107.00	78-L0	54.99
9	175-O4	132.49	175-O4	71.46
10	55-R1.5	180.76	52-R1.5	89.08
11	71-L0.5	220.47	68-L0.5	125.14
12	62-S0	273.58	58-S0	162.33
13	50-R2	428.89	47-R2	250.22
14	56-S0.5	462.82	53-S0.5	288.32
15	64-L1	478.57	60-L1	304.50
16	58-L1.5	699.16	44-R2.5	453.16
17	47-R2.5	722.92	54-L1.5	453.79
18	52-S1	802.35	49-S1	531.90
19	50-S1.5	1088.10	46-S1.5	733.21
20	54-L2	1164.60	50-L2	790.20
21	45-R3	1207.50	41-R3	801.12
22	47-S2	1549.00	44-S2	1076.70
23	48-L3	1970.30	44-L3	1377.70
24	42-R4	2191.70	39-R4	1527.40
25	45-S3	2384.10	41-S3	1694.80
26	44-L4	2727.40	40-L4	1937.70
27	43-S4	3479.90	39-S4	2522.10
28	41-R5	3714.70	38-R5	2706.70
29	42-L5	3789.30	38-L5	2758.90
30	42-S5	4481.70	38-S5	3296.20
31	41-S6	5266.10	37-S6	3913.20
32	40-SQ	6803.30	36-SQ	5163.40

Observed Life Table

Retirement Expr. 1983 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 79.5
Sum Of Life Tabl 35

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	144-O3	10.14	141-O3	2.17
2	99-O2	12.60	97-O2	2.46
3	88-O1	12.60	86-O1	2.55
4	88-SC	12.60	86-SC	2.55
5	73-R0.5	25.62	71-R0.5	6.39
6	72-S.5	68.89	59-R1	28.97
7	62-R1	73.96	69-S.5	29.25
8	82-L0	110.23	78-L0	56.77
9	175-O4	126.51	175-O4	67.05
10	55-R1.5	185.40	52-R1.5	92.16
11	71-L0.5	225.06	67-L0.5	128.80
12	62-S0	279.38	58-S0	165.80
13	50-R2	436.60	47-R2	256.05
14	56-S0.5	470.10	53-S0.5	294.07
15	64-L1	486.45	60-L1	310.21
16	58-L1.5	709.20	54-L1.5	461.20
17	47-R2.5	733.86	44-R2.5	461.89
18	52-S1	812.55	49-S1	540.34
19	50-S1.5	1102.20	46-S1.5	743.51
20	54-L2	1178.60	50-L2	801.02
21	45-R3	1222.80	41-R3	811.98
22	47-S2	1564.60	44-S2	1090.10
23	48-L3	1989.70	44-L3	1392.80
24	42-R4	2212.10	39-R4	1544.80
25	45-S3	2406.70	41-S3	1712.50
26	44-L4	2752.00	40-L4	1957.00
27	43-S4	3508.90	39-S4	2545.30
28	41-R5	3743.60	38-R5	2732.20
29	42-L5	3818.60	38-L5	2782.10
30	41-S5	4514.30	38-S5	3324.40
31	41-S6	5304.30	37-S6	3944.30
32	40-SQ	6849.20	36-SQ	5201.00

Observed Life Table

Retirement Expr. 1984 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 79.5
Sum Of Life Tabl 35

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	143-O3	10.26	140-O3	2.21
2	88-O1	12.74	97-O2	2.51
3	88-SC	12.74	86-O1	2.51
4	99-O2	12.77	86-SC	2.51
5	73-R0.5	25.99	71-R0.5	6.55
6	72-S.5	70.14	59-R1	29.67
7	62-R1	75.38	69-S.5	29.95
8	81-L0	111.77	78-L0	57.77
9	175-O4	123.27	175-O4	64.68
10	55-R1.5	187.99	52-R1.5	93.89
11	71-L0.5	227.60	67-L0.5	130.38
12	62-S0	282.58	58-S0	167.70
13	50-R2	440.85	47-R2	259.27
14	56-S0.5	474.10	53-S0.5	297.22
15	64-L1	490.79	60-L1	313.34
16	58-L1.5	714.72	54-L1.5	465.25
17	47-R2.5	739.90	43-R2.5	466.30
18	52-S1	818.14	49-S1	544.94
19	49-S1.5	1109.60	46-S1.5	749.14
20	54-L2	1186.30	50-L2	806.94
21	45-R3	1231.30	41-R3	817.95
22	47-S2	1573.20	44-S2	1097.50
23	48-L3	2000.30	44-L3	1401.20
24	42-R4	2223.30	39-R4	1554.30
25	45-S3	2419.30	41-S3	1722.20
26	44-L4	2765.60	40-L4	1967.60
27	43-S4	3525.00	39-S4	2558.10
28	41-R5	3759.60	38-R5	2746.30
29	42-L5	3834.90	38-L5	2795.00
30	41-S5	4531.90	38-S5	3340.00
31	41-S6	5325.50	37-S6	3961.50
32	40-SQ	6874.80	36-SQ	5222.00

New York State Electric and Gas Corporation

Gas Division

380.20 SERVICES - PLASTIC

Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. **1985 - 2008**
Placement Years **1966 - 2008**

Max Exposure Age	40
Life Table % Surviving	79.5
Sum Of Life Tabl	35

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	143-O3	10.42	140-O3	2.14
2	88-O1	13.00	86-O1	2.53
3	88-SC	13.00	86-SC	2.53
4	99-O2	13.07	97-O2	2.63
5	73-R0.5	26.49	71-R0.5	6.79
6	72-S.5	71.66	59-R1	30.54
7	62-R1	77.14	69-S.5	30.79
8	81-L0	113.33	78-L0	58.91
9	175-O4	119.12	175-O4	61.64
10	55-R1.5	191.19	52-R1.5	96.03
11	71-L0.5	230.55	67-L0.5	132.22
12	61-S0	286.19	58-S0	169.89
13	50-R2	446.08	47-R2	263.25
14	56-S0.5	478.79	53-S0.5	301.00
15	64-L1	495.96	60-L1	317.10
16	58-L1.5	721.41	54-L1.5	470.19
17	47-R2.5	747.39	43-R2.5	471.12
18	52-S1	824.82	49-S1	550.55
19	49-S1.5	1117.80	46-S1.5	756.10
20	54-L2	1195.80	50-L2	814.30
21	45-R3	1241.90	41-R3	825.40
22	47-S2	1583.90	44-S2	1106.70
23	48-L3	2013.80	44-L3	1411.70
24	42-R4	2237.50	39-R4	1566.60
25	45-S3	2435.30	41-S3	1734.60
26	44-L4	2783.00	40-L4	1981.30
27	43-S4	3545.80	39-S4	2574.60
28	41-R5	3780.40	37-R5	2763.60
29	42-L5	3856.10	38-L5	2811.70
30	41-S5	4554.70	38-S5	3360.50
31	41-S6	5353.40	37-S6	3984.10
32	40-SQ	6908.50	36-SQ	5249.70

Observed Life Table

Retirement Expr. **1986 - 2008**
Placement Years **1966 - 2008**

Max Exposure Age	40
Life Table % Surviving	79.4
Sum Of Life Tabl	35

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	143-O3	10.66	140-O3	2.17
2	88-O1	13.36	86-O1	2.64
3	88-SC	13.36	86-SC	2.64
4	99-O2	13.46	96-O2	2.66
5	73-R0.5	27.07	71-R0.5	7.09
6	72-S.5	73.24	59-R1	31.40
7	61-R1	78.79	69-S.5	31.60
8	175-O4	114.69	175-O4	58.50
9	81-L0	114.92	78-L0	59.93
10	55-R1.5	194.52	52-R1.5	98.12
11	71-L0.5	233.56	67-L0.5	133.87
12	61-S0	289.13	58-S0	171.85
13	50-R2	451.48	47-R2	267.14
14	56-S0.5	483.55	53-S0.5	304.54
15	63-L1	500.89	60-L1	320.60
16	58-L1.5	728.26	54-L1.5	474.88
17	47-R2.5	755.18	43-R2.5	475.76
18	52-S1	831.59	49-S1	555.88
19	49-S1.5	1126.10	46-S1.5	762.84
20	54-L2	1205.70	50-L2	821.49
21	45-R3	1253.00	41-R3	832.72
22	47-S2	1594.90	44-S2	1115.90
23	48-L3	2027.90	44-L3	1422.30
24	42-R4	2252.50	39-R4	1579.10
25	45-S3	2452.20	41-S3	1747.20
26	44-L4	2801.50	40-L4	1995.20
27	43-S4	3568.20	39-S4	2591.90
28	41-R5	3802.50	37-R5	2780.30
29	42-L5	3878.70	38-L5	2829.10
30	41-S5	4579.20	38-S5	3382.10
31	41-S6	5383.60	37-S6	4008.10
32	40-SQ	6945.30	36-SQ	5279.40

Observed Life Table

Retirement Expr. **1987 - 2008**
Placement Years **1966 - 2008**

Max Exposure Age	40
Life Table % Surviving	79.3
Sum Of Life Tabl	35

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	142-O3	11.25	139-O3	2.23
2	87-O1	14.14	85-O1	2.79
3	87-SC	14.14	85-SC	2.79
4	98-O2	14.19	96-O2	2.88
5	73-R0.5	29.19	70-R0.5	8.01
6	71-S.5	76.65	68-S.5	33.95
7	61-R1	82.56	58-R1	34.39
8	175-O4	103.88	175-O4	50.78
9	81-L0	120.02	77-L0	63.25
10	54-R1.5	202.62	51-R1.5	102.91
11	71-L0.5	242.46	67-L0.5	139.47
12	61-S0	297.97	58-S0	178.41
13	50-R2	466.64	46-R2	277.11
14	56-S0.5	497.25	52-S0.5	314.76
15	63-L1	513.49	59-L1	330.96
16	58-L1.5	747.44	54-L1.5	488.90
17	47-R2.5	776.59	43-R2.5	489.48
18	52-S1	850.74	48-S1	571.41
19	49-S1.5	1149.40	46-S1.5	782.38
20	54-L2	1232.60	50-L2	842.14
21	45-R3	1283.10	41-R3	853.64
22	47-S2	1624.90	44-S2	1141.60
23	48-L3	2065.90	44-L3	1451.70
24	42-R4	2292.60	39-R4	1613.30
25	44-S3	2495.60	41-S3	1781.70
26	44-L4	2850.50	40-L4	2033.20
27	43-S4	3626.70	39-S4	2638.10
28	41-R5	3860.70	37-R5	2825.20
29	42-L5	3937.90	38-L5	2875.60
30	41-S5	4643.10	38-S5	3439.10
31	41-S6	5461.70	37-S6	4071.30
32	40-SQ	7039.80	36-SQ	5356.70

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. **1988 - 2008**
Placement Years **1966 - 2008**
Max Exposure Age 40
Life Table % Surviving 79.2
Sum Of Life Tabl 34.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	140-O3	12.18	137-O3	2.38
2	97-O2	15.52	84-O1	3.19
3	86-O1	15.53	84-SC	3.19
4	86-SC	15.53	95-O2	3.26
5	72-R0.5	31.70	70-R0.5	9.25
6	71-S.5	82.55	68-S.5	37.14
7	61-R1	89.09	58-R1	37.35
8	175-O4	89.29	175-O4	40.58
9	80-L0	126.83	77-L0	67.61
10	54-R1.5	213.93	51-R1.5	110.04
11	70-L0.5	253.45	66-L0.5	147.95
12	61-S0	311.49	57-S0	188.41
13	50-R2	489.48	46-R2	290.38
14	56-S0.5	517.75	52-S0.5	327.46
15	63-L1	532.37	59-L1	343.95
16	57-L1.5	772.77	53-L1.5	508.92
17	47-R2.5	808.49	43-R2.5	509.96
18	52-S1	879.04	48-S1	590.34
19	49-S1.5	1183.60	45-S1.5	810.82
20	53-L2	1268.80	49-L2	870.01
21	45-R3	1327.50	41-R3	884.51
22	47-S2	1669.20	43-S2	1173.40
23	48-L3	2121.80	44-L3	1494.90
24	42-R4	2351.70	39-R4	1663.50
25	44-S3	2553.90	41-S3	1832.60
26	44-L4	2922.80	40-L4	2089.20
27	42-S4	3708.20	39-S4	2706.20
28	41-R5	3946.70	37-R5	2891.30
29	42-L5	4025.40	38-L5	2944.10
30	41-S5	4737.60	37-S5	3523.20
31	41-S6	5577.30	37-S6	4164.50
32	40-SQ	7179.80	36-SQ	5471.10

Observed Life Table

Retirement Expr. **1989 - 2008**
Placement Years **1966 - 2008**
Max Exposure Age 40
Life Table % Surviving 79.2
Sum Of Life Tabl 34.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	140-O3	12.03	137-O3	2.43
2	97-O2	15.24	95-O2	3.14
3	86-O1	15.32	84-O1	3.18
4	86-SC	15.32	84-SC	3.18
5	72-R0.5	31.02	70-R0.5	8.80
6	71-S.5	80.96	68-S.5	36.00
7	61-R1	87.46	58-R1	36.29
8	175-O4	91.12	175-O4	42.03
9	80-L0	124.91	77-L0	65.99
10	54-R1.5	211.21	51-R1.5	107.94
11	70-L0.5	250.45	67-L0.5	145.60
12	61-S0	307.95	58-S0	185.46
13	50-R2	484.67	46-R2	286.74
14	56-S0.5	512.88	52-S0.5	323.55
15	63-L1	527.61	59-L1	339.93
16	57-L1.5	767.04	53-L1.5	504.05
17	47-R2.5	802.12	43-R2.5	504.88
18	52-S1	872.54	48-S1	584.91
19	49-S1.5	1176.10	46-S1.5	804.23
20	53-L2	1261.30	49-L2	863.46
21	45-R3	1319.10	41-R3	877.48
22	47-S2	1660.10	43-S2	1165.60
23	48-L3	2111.50	44-L3	1485.80
24	42-R4	2341.00	39-R4	1653.60
25	44-S3	2543.10	41-S3	1822.30
26	44-L4	2910.60	40-L4	2078.40
27	42-S4	3695.50	39-S4	2694.20
28	41-R5	3933.20	37-R5	2879.50
29	42-L5	4011.70	38-L5	2932.00
30	41-S5	4723.30	38-S5	3509.80
31	41-S6	5561.10	37-S6	4150.10
32	40-SQ	7161.20	36-SQ	5454.80

Observed Life Table

Retirement Expr. **1990 - 2008**
Placement Years **1966 - 2008**
Max Exposure Age 40
Life Table % Surviving 79.3
Sum Of Life Tabl 35

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	141-O3	11.47	138-O3	2.45
2	87-O1	14.40	85-O1	2.99
3	87-SC	14.40	85-SC	2.99
4	98-O2	14.55	95-O2	3.05
5	72-R0.5	29.38	70-R0.5	7.89
6	71-S.5	76.74	68-S.5	33.44
7	61-R1	82.94	58-R1	33.91
8	175-O4	99.09	175-O4	47.91
9	80-L0	120.21	77-L0	62.41
10	54-R1.5	203.41	51-R1.5	102.58
11	70-L0.5	242.44	67-L0.5	138.92
12	61-S0	298.30	58-S0	177.79
13	50-R2	469.73	46-R2	276.99
14	56-S0.5	498.76	52-S0.5	313.73
15	63-L1	514.21	59-L1	329.83
16	57-L1.5	750.34	54-L1.5	489.55
17	47-R2.5	781.66	43-R2.5	490.45
18	52-S1	853.25	48-S1	570.66
19	49-S1.5	1153.20	46-S1.5	784.23
20	53-L2	1238.30	50-L2	844.61
21	45-R3	1291.20	41-R3	856.52
22	47-S2	1631.30	43-S2	1143.10
23	48-L3	2076.70	44-L3	1457.30
24	42-R4	2304.50	39-R4	1621.40
25	44-S3	2506.70	41-S3	1789.50
26	44-L4	2867.20	40-L4	2042.90
27	43-S4	3649.10	39-S4	2652.60
28	41-R5	3883.00	37-R5	2838.80
29	42-L5	3960.80	38-L5	2890.20
30	41-S5	4669.00	38-S5	3460.30
31	41-S6	5496.40	37-S6	4096.20
32	40-SQ	7084.70	36-SQ	5390.50

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. 1991 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 79.2
Sum Of Life Tabl 34.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	141-O3	11.83	138-O3	2.63
2	97-O2	14.87	95-O2	3.16
3	87-O1	14.94	85-O1	3.31
4	87-SC	14.94	85-SC	3.31
5	72-R0.5	29.82	70-R0.5	8.13
6	71-S.5	77.95	68-S.5	33.86
7	61-R1	84.38	58-R1	34.28
8	175-O4	94.16	175-O4	44.73
9	80-L0	121.19	77-L0	62.93
10	54-R1.5	205.88	51-R1.5	103.75
11	70-L0.5	244.47	67-L0.5	140.35
12	61-S0	301.01	58-S0	179.46
13	50-R2	475.39	46-R2	279.35
14	56-S0.5	503.28	52-S0.5	315.63
15	63-L1	518.02	59-L1	331.70
16	57-L1.5	755.51	54-L1.5	493.67
17	47-R2.5	789.89	43-R2.5	494.60
18	52-S1	859.60	48-S1	573.76
19	49-S1.5	1161.20	46-S1.5	790.31
20	53-L2	1246.30	49-L2	849.96
21	45-R3	1303.10	41-R3	863.43
22	47-S2	1642.30	43-S2	1149.50
23	48-L3	2091.90	44-L3	1467.70
24	42-R4	2320.80	39-R4	1634.30
25	44-S3	2522.30	41-S3	1802.20
26	44-L4	2888.20	40-L4	2057.40
27	42-S4	3672.50	39-S4	2671.60
28	41-R5	3909.30	37-R5	2857.10
29	42-L5	3987.70	38-L5	2909.40
30	41-S5	4698.70	38-S5	3485.70
31	41-S6	5534.50	37-S6	4125.20
32	40-SQ	7132.40	36-SQ	5427.90

Observed Life Table

Retirement Expr. 1992 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 79.1
Sum Of Life Tabl 34.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	140-O3	12.15	137-O3	2.88
2	97-O2	15.19	84-O1	3.43
3	86-O1	15.20	84-SC	3.43
4	86-SC	15.20	95-O2	3.45
5	72-R0.5	30.30	70-R0.5	8.44
6	71-S.5	79.00	68-S.5	34.18
7	61-R1	85.65	58-R1	34.54
8	175-O4	89.56	175-O4	41.92
9	80-L0	121.94	77-L0	63.26
10	54-R1.5	207.89	51-R1.5	104.54
11	70-L0.5	245.96	66-L0.5	141.00
12	61-S0	303.12	57-S0	180.48
13	50-R2	480.19	46-R2	280.92
14	56-S0.5	506.87	52-S0.5	316.69
15	63-L1	520.83	59-L1	332.67
16	57-L1.5	759.45	53-L1.5	495.56
17	47-R2.5	796.94	43-R2.5	497.60
18	52-S1	864.61	48-S1	575.61
19	49-S1.5	1167.60	45-S1.5	793.98
20	53-L2	1252.80	49-L2	853.18
21	45-R3	1313.50	41-R3	868.75
22	47-S2	1651.30	43-S2	1153.80
23	48-L3	2105.20	44-L3	1476.00
24	42-R4	2335.10	39-R4	1645.00
25	44-S3	2535.80	41-S3	1812.50
26	44-L4	2907.20	40-L4	2069.60
27	42-S4	3693.10	39-S4	2688.30
28	41-R5	3933.70	37-R5	2873.00
29	42-L5	4012.70	38-L5	2926.20
30	41-S5	4726.60	37-S5	3506.60
31	41-S6	5571.10	37-S6	4152.30
32	40-SQ	7179.10	36-SQ	5463.70

Observed Life Table

Retirement Expr. 1993 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 79.1
Sum Of Life Tabl 34.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	140-O3	12.52	137-O3	3.07
2	86-O1	15.61	84-O1	3.64
3	86-SC	15.61	84-SC	3.64
4	97-O2	15.73	94-O2	3.78
5	72-R0.5	31.29	70-R0.5	9.13
6	70-S.5	80.93	68-S.5	35.57
7	175-O4	86.14	58-R1	35.74
8	61-R1	87.85	175-O4	39.73
9	80-L0	124.63	77-L0	65.24
10	54-R1.5	211.33	51-R1.5	106.76
11	70-L0.5	249.79	66-L0.5	143.40
12	61-S0	307.85	57-S0	183.29
13	49-R2	485.41	46-R2	284.64
14	56-S0.5	513.21	52-S0.5	320.74
15	63-L1	526.58	59-L1	336.66
16	57-L1.5	766.38	53-L1.5	500.34
17	47-R2.5	805.54	43-R2.5	502.96
18	52-S1	872.75	48-S1	581.05
19	49-S1.5	1176.90	45-S1.5	800.18
20	53-L2	1262.00	49-L2	859.70
21	44-R3	1324.30	41-R3	876.47
22	47-S2	1662.60	43-S2	1161.60
23	48-L3	2119.30	44-L3	1486.30
24	42-R4	2349.90	39-R4	1656.90
25	44-S3	2550.00	41-S3	1824.20
26	44-L4	2925.10	40-L4	2082.50
27	42-S4	3712.00	39-S4	2704.10
28	41-R5	3955.10	37-R5	2888.20
29	42-L5	4034.50	38-L5	2942.10
30	41-S5	4750.30	37-S5	3523.90
31	41-S6	5600.70	37-S6	4174.90
32	40-SQ	7215.50	36-SQ	5492.20

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. **1994 - 2008**
Placement Years **1966 - 2008**
Max Exposure Age 40
Life Table % Surviving 79.1
Sum Of Life Tabl 34.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	140-O3	12.40	137-O3	3.20
2	86-O1	15.44	84-O1	3.74
3	86-SC	15.44	84-SC	3.74
4	97-O2	15.44	95-O2	3.76
5	72-R0.5	30.61	70-R0.5	8.74
6	71-S.5	79.68	68-S.5	34.61
7	61-R1	86.08	58-R1	34.79
8	175-O4	89.33	175-O4	42.18
9	80-L0	123.20	77-L0	64.03
10	54-R1.5	208.25	51-R1.5	104.57
11	70-L0.5	246.95	66-L0.5	141.44
12	61-S0	304.50	57-S0	181.14
13	49-R2	480.45	46-R2	280.60
14	56-S0.5	507.94	52-S0.5	316.94
15	63-L1	521.50	59-L1	332.68
16	57-L1.5	759.87	53-L1.5	495.16
17	47-R2.5	797.24	43-R2.5	496.88
18	52-S1	865.26	48-S1	575.32
19	49-S1.5	1167.70	45-S1.5	792.99
20	53-L2	1252.60	49-L2	851.96
21	45-R3	1313.60	41-R3	867.52
22	47-S2	1650.70	43-S2	1151.90
23	48-L3	2104.80	44-L3	1473.80
24	42-R4	2334.50	39-R4	1642.80
25	44-S3	2534.50	41-S3	1809.80
26	44-L4	2906.70	40-L4	2066.80
27	42-S4	3692.50	39-S4	2685.60
28	41-R5	3933.80	37-R5	2870.10
29	42-L5	4012.90	38-L5	2923.40
30	41-S5	4727.40	37-S5	3504.20
31	41-S6	5573.80	37-S6	4151.60
32	40-SQ	7184.00	36-SQ	5464.90

Observed Life Table

Retirement Expr. **1995 - 2008**
Placement Years **1966 - 2008**
Max Exposure Age 40
Life Table % Surviving 79.4
Sum Of Life Tabl 35

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	143-O3	11.51	140-O3	3.13
2	88-O1	14.27	86-O1	3.64
3	88-SC	14.27	86-SC	3.64
4	99-O2	14.36	97-O2	3.77
5	73-R0.5	28.50	71-R0.5	8.42
6	72-S.5	76.07	59-R1	33.19
7	62-R1	80.78	69-S.5	34.07
8	175-O4	118.34	175-O4	61.81
9	81-L0	120.32	78-L0	64.08
10	55-R1.5	196.22	52-R1.5	99.60
11	71-L0.5	238.25	67-L0.5	137.85
12	61-S0	295.48	58-S0	176.78
13	50-R2	453.03	47-R2	268.14
14	56-S0.5	488.64	53-S0.5	308.26
15	64-L1	505.05	60-L1	323.81
16	58-L1.5	730.91	43-R2.5	476.37
17	47-R2.5	755.28	54-L1.5	477.02
18	52-S1	835.44	49-S1	558.40
19	49-S1.5	1127.60	46-S1.5	763.12
20	54-L2	1205.50	50-L2	820.81
21	45-R3	1250.90	41-R3	831.15
22	47-S2	1592.80	44-S2	1112.70
23	48-L3	2022.60	44-L3	1416.80
24	42-R4	2245.70	39-R4	1571.10
25	45-S3	2443.20	41-S3	1738.30
26	44-L4	2791.10	40-L4	1984.80
27	43-S4	3554.50	39-S4	2577.80
28	41-R5	3789.00	37-R5	2766.50
29	42-L5	3864.80	38-L5	2814.70
30	41-S5	4564.20	38-S5	3365.00
31	41-S6	5365.30	37-S6	3989.70
32	40-SQ	6923.30	36-SQ	5257.70

Observed Life Table

Retirement Expr. **1996 - 2008**
Placement Years **1966 - 2008**
Max Exposure Age 40
Life Table % Surviving 79.7
Sum Of Life Tabl 35.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	146-O3	10.36	143-O3	3.43
2	101-O2	12.56	88-O1	3.63
3	89-O1	12.59	88-SC	3.63
4	89-SC	12.59	99-O2	3.69
5	74-R0.5	24.17	72-R0.5	6.82
6	73-S.5	66.33	60-R1	27.29
7	62-R1	69.54	70-S.5	28.59
8	82-L0	108.27	79-L0	56.53
9	175-O4	151.67	52-R1.5	85.59
10	55-R1.5	174.06	175-O4	86.83
11	72-L0.5	217.09	68-L0.5	123.34
12	62-S0	270.38	59-S0	160.26
13	50-R2	415.38	47-R2	240.16
14	57-S0.5	453.30	53-S0.5	282.60
15	64-L1	468.26	60-L1	298.19
16	58-L1.5	682.35	44-R2.5	434.46
17	47-R2.5	700.21	54-L1.5	442.17
18	53-S1	783.81	49-S1	518.73
19	50-S1.5	1059.00	46-S1.5	712.64
20	54-L2	1134.90	50-L2	766.94
21	45-R3	1171.90	41-R3	776.34
22	48-S2	1510.00	44-S2	1044.20
23	48-L3	1921.00	44-L3	1337.50
24	43-R4	2133.90	39-R4	1478.60
25	45-S3	2322.00	41-S3	1644.20
26	44-L4	2658.80	40-L4	1881.10
27	43-S4	3396.40	39-S4	2451.00
28	41-R5	3631.70	38-R5	2628.50
29	42-L5	3704.60	38-L5	2686.90
30	42-S5	4381.20	38-S5	3209.40
31	41-S6	5155.90	37-S6	3818.20
32	40-SQ	6671.10	36-SQ	5049.20

New York State Electric and Gas Corporation

Gas Division

380.20 SERVICES - PLASTIC

Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. 1997 - 2008
Placement Years 1966 - 2008

Max Exposure Age 40
Life Table % Surviving 80.8
Sum Of Life Tabl 35.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	157-O3	7.72	78-R0.5	3.52
2	108-O2	8.20	106-O2	3.89
3	96-O1	8.21	95-O1	3.89
4	96-SC	8.21	95-SC	3.89
5	79-R0.5	13.08	155-O3	4.47
6	77-S.5	39.69	63-R1	13.30
7	66-R1	39.76	74-S.5	15.13
8	87-L0	72.69	84-L0	36.09
9	58-R1.5	113.30	55-R1.5	50.38
10	75-L0.5	154.65	72-L0.5	84.54
11	65-S0	198.73	62-S0	114.90
12	52-R2	299.70	49-R2	166.48
13	175-O4	318.11	55-S0.5	210.92
14	59-S0.5	345.26	175-O4	212.94
15	67-L1	361.70	63-L1	224.02
16	48-R2.5	533.10	45-R2.5	318.70
17	60-L1.5	533.93	56-L1.5	337.93
18	54-S1	623.53	51-S1	407.52
19	51-S1.5	852.74	47-S1.5	567.10
20	55-L2	920.79	42-R3	602.17
21	46-R3	930.22	51-L2	611.36
22	49-S2	1243.50	45-S2	848.26
23	49-L3	1587.20	45-L3	1086.70
24	43-R4	1754.60	39-R4	1210.70
25	45-S3	1950.60	42-S3	1365.10
26	45-L4	2225.00	41-L4	1549.40
27	43-S4	2882.40	39-S4	2059.70
28	42-R5	3072.70	38-R5	2184.30
29	43-L5	3141.70	39-L5	2239.90
30	42-S5	3735.70	38-S5	2703.30
31	41-S6	4433.80	37-S6	3247.60
32	40-SQ	5775.30	36-SQ	4328.30

Observed Life Table

Retirement Expr. 1998 - 2008
Placement Years 1966 - 2008

Max Exposure Age 40
Life Table % Surviving 82.1
Sum Of Life Tabl 35.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	87-R0.5	8.72	69-R1	3.21
2	119-O2	10.96	81-S.5	3.70
3	106-O1	11.02	85-R0.5	5.35
4	106-SC	11.02	118-O2	9.59
5	173-O3	12.04	105-O1	9.65
6	71-R1	15.96	105-SC	9.65
7	83-S.5	16.03	172-O3	10.96
8	94-L0	35.00	91-L0	13.81
9	61-R1.5	54.32	58-R1.5	18.22
10	80-L0.5	86.45	76-L0.5	40.79
11	69-S0	118.13	66-S0	62.16
12	54-R2	179.58	51-R2	88.33
13	62-S0.5	223.35	58-S0.5	127.30
14	70-L1	237.39	66-L1	137.52
15	50-R2.5	348.16	47-R2.5	194.72
16	63-L1.5	365.84	59-L1.5	218.52
17	56-S1	439.54	53-S1	274.78
18	53-S1.5	617.71	49-S1.5	393.91
19	175-O4	621.44	44-R3	409.86
20	47-R3	660.80	53-L2	426.45
21	57-L2	669.62	175-O4	453.30
22	50-S2	933.75	46-S2	619.74
23	50-L3	1207.80	46-L3	800.74
24	44-R4	1339.00	40-R4	893.01
25	46-S3	1517.60	42-S3	1039.70
26	45-L4	1728.20	41-L4	1174.30
27	44-S4	2309.10	40-S4	1608.70
28	42-R5	2444.30	38-R5	1705.60
29	43-L5	2501.80	39-L5	1744.10
30	42-S5	3026.70	38-S5	2149.80
31	41-S6	3632.00	37-S6	2616.00
32	40-SQ	4763.40	36-SQ	3514.60

Observed Life Table

Retirement Expr. 1999 - 2008
Placement Years 1966 - 2008

Max Exposure Age 40
Life Table % Surviving 82.2
Sum Of Life Tabl 35.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	87-R0.5	8.62	69-R1	2.89
2	120-O2	11.45	81-S.5	3.27
3	107-O1	11.55	86-R0.5	5.63
4	107-SC	11.55	119-O2	10.24
5	174-O3	12.67	106-O1	10.29
6	71-R1	14.42	106-SC	10.29
7	83-S.5	14.64	174-O3	11.66
8	94-L0	32.05	91-L0	12.47
9	61-R1.5	50.32	59-R1.5	15.97
10	80-L0.5	81.14	77-L0.5	37.91
11	69-S0	111.88	66-S0	58.43
12	54-R2	171.21	51-R2	83.31
13	62-S0.5	213.52	59-S0.5	122.08
14	70-L1	227.75	66-L1	131.76
15	50-R2.5	334.62	47-R2.5	185.17
16	63-L1.5	351.97	59-L1.5	209.34
17	57-S1	425.60	53-S1	265.03
18	53-S1.5	598.75	49-S1.5	381.43
19	47-R3	640.64	44-R3	394.36
20	175-O4	646.08	53-L2	413.01
21	57-L2	650.51	175-O4	474.52
22	50-S2	909.43	46-S2	602.83
23	50-L3	1178.80	46-L3	778.81
24	44-R4	1306.60	40-R4	869.46
25	46-S3	1484.80	43-S3	1012.00
26	45-L4	1691.60	41-L4	1146.20
27	44-S4	2263.80	40-S4	1571.60
28	42-R5	2398.60	38-R5	1668.50
29	43-L5	2455.20	39-L5	1705.70
30	42-S5	2976.10	38-S5	2106.90
31	41-S6	3577.00	37-S6	2568.70
32	40-SQ	4698.50	36-SQ	3458.70

New York State Electric and Gas Corporation
Gas Division
380.20 SERVICES - PLASTIC
Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. 2000 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 82.3
Sum Of Life Tabl 35.9

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	88-R0.5	7.80	70-R1	2.59
2	121-O2	10.65	82-S.5	3.14
3	108-O1	10.77	87-R0.5	5.22
4	108-SC	10.77	120-O2	9.61
5	175-O3	11.95	107-O1	9.65
6	72-R1	13.37	107-SC	9.65
7	84-S.5	13.60	175-O3	10.97
8	95-L0	31.59	92-L0	12.84
9	62-R1.5	47.99	59-R1.5	15.16
10	80-L0.5	79.56	77-L0.5	37.68
11	69-S0	110.18	66-S0	58.67
12	55-R2	165.00	52-R2	81.32
13	62-S0.5	209.12	59-S0.5	120.18
14	70-L1	223.75	67-L1	130.07
15	50-R2.5	325.95	47-R2.5	180.45
16	63-L1.5	343.88	59-L1.5	205.97
17	57-S1	416.65	53-S1	262.06
18	53-S1.5	586.49	49-S1.5	376.33
19	47-R3	626.20	44-R3	384.82
20	58-L2	638.00	54-L2	406.70
21	175-O4	674.65	175-O4	497.33
22	50-S2	892.01	46-S2	594.09
23	50-L3	1155.40	46-L3	764.18
24	44-R4	1278.60	40-R4	853.12
25	46-S3	1457.70	43-S3	990.73
26	45-L4	1658.90	41-L4	1124.90
27	44-S4	2218.40	40-S4	1538.70
28	42-R5	2352.40	38-R5	1635.70
29	43-L5	2407.80	39-L5	1671.20
30	42-S5	2922.10	38-S5	2065.70
31	41-S6	3515.10	37-S6	2520.10
32	40-SQ	4618.90	36-SQ	3394.60

Observed Life Table

Retirement Expr. 2001 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 82.4
Sum Of Life Tabl 36

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	89-R0.5	7.30	70-R1	2.39
2	122-O2	10.10	83-S.5	3.19
3	108-O1	10.19	88-R0.5	5.03
4	108-SC	10.19	121-O2	9.19
5	175-O3	11.96	108-O1	9.24
6	72-R1	12.03	108-SC	9.24
7	85-S.5	12.86	175-O3	10.85
8	95-L0	30.46	92-L0	13.05
9	62-R1.5	44.89	59-R1.5	14.70
10	81-L0.5	76.74	78-L0.5	37.37
11	70-S0	107.43	67-S0	58.15
12	55-R2	158.66	52-R2	78.34
13	62-S0.5	204.60	59-S0.5	118.37
14	71-L1	218.04	67-L1	127.88
15	51-R2.5	317.37	47-R2.5	176.03
16	63-L1.5	335.90	59-L1.5	202.68
17	57-S1	407.82	53-S1	259.00
18	53-S1.5	574.54	50-S1.5	370.75
19	47-R3	612.34	44-R3	375.89
20	58-L2	623.30	54-L2	398.06
21	175-O4	699.25	175-O4	517.95
22	50-S2	875.26	47-S2	584.45
23	50-L3	1133.30	46-L3	750.36
24	44-R4	1252.70	40-R4	837.77
25	47-S3	1430.70	43-S3	971.13
26	45-L4	1628.70	42-L4	1101.20
27	44-S4	2177.50	40-S4	1508.60
28	42-R5	2310.80	38-R5	1605.40
29	43-L5	2365.20	39-L5	1639.50
30	42-S5	2874.00	38-S5	2027.70
31	41-S6	3461.20	37-S6	2475.50
32	40-SQ	4553.10	36-SQ	3339.30

Observed Life Table

Retirement Expr. 2002 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 82.8
Sum Of Life Tabl 36.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	91-R0.5	5.87	73-R1	2.19
2	126-O2	8.82	85-S.5	3.02
3	112-O1	8.89	91-R0.5	4.56
4	112-SC	8.89	126-O2	8.33
5	74-R1	8.97	112-O1	8.38
6	87-S.5	10.22	112-SC	8.38
7	175-O3	19.91	61-R1.5	11.98
8	98-L0	27.79	95-L0	13.18
9	63-R1.5	36.50	175-O3	17.05
10	83-L0.5	68.67	80-L0.5	35.08
11	71-S0	98.13	68-S0	55.46
12	56-R2	137.73	53-R2	68.98
13	63-S0.5	186.98	60-S0.5	110.81
14	72-L1	198.50	68-L1	119.34
15	51-R2.5	279.30	48-R2.5	156.92
16	64-L1.5	305.29	60-L1.5	186.75
17	58-S1	375.69	54-S1	241.59
18	54-S1.5	527.53	50-S1.5	342.28
19	48-R3	550.91	44-R3	343.99
20	58-L2	570.52	54-L2	366.88
21	51-S2	806.75	47-S2	539.51
22	175-O4	825.35	175-O4	618.86
23	51-L3	1036.10	47-L3	686.42
24	44-R4	1152.70	41-R4	765.72
25	47-S3	1314.40	43-S3	895.32
26	46-L4	1489.80	42-L4	1004.70
27	44-S4	2011.10	40-S4	1390.80
28	42-R5	2141.00	39-R5	1477.50
29	43-L5	2190.90	39-L5	1515.50
30	42-S5	2672.50	38-S5	1878.70
31	41-S6	3226.00	37-S6	2294.90
32	40-SQ	4243.80	36-SQ	3093.20

New York State Electric and Gas Corporation

Gas Division

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Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. 2003 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 84.2
Sum Of Life Tabl 36.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	100-R0.5	4.21	79-R1	2.43
2	80-R1	5.96	100-R0.5	3.79
3	139-O2	6.58	92-S.5	3.91
4	124-O1	6.65	139-O2	6.21
5	124-SC	6.65	124-O1	6.23
6	94-S.5	8.04	124-SC	6.23
7	67-R1.5	24.90	65-R1.5	9.88
8	105-L0	25.05	103-L0	14.67
9	88-L0.5	56.36	85-L0.5	32.08
10	76-S0	84.06	73-S0	51.92
11	175-O3	90.71	56-R2	54.49
12	59-R2	102.53	175-O3	71.70
13	67-S0.5	154.83	64-S0.5	97.86
14	76-L1	164.37	72-L1	103.36
15	53-R2.5	213.24	50-R2.5	123.96
16	67-L1.5	248.37	63-L1.5	157.12
17	60-S1	314.94	57-S1	209.64
18	56-S1.5	436.21	46-R3	276.54
19	49-R3	438.41	52-S1.5	290.27
20	60-L2	466.84	56-L2	305.84
21	52-S2	670.67	49-S2	458.16
22	52-L3	843.56	48-L3	564.31
23	45-R4	936.61	42-R4	630.08
24	48-S3	1086.00	44-S3	746.93
25	175-O4	1199.30	43-L4	828.34
26	47-L4	1218.10	175-O4	905.20
27	45-S4	1662.80	41-S4	1149.90
28	43-R5	1741.10	39-R5	1197.20
29	44-L5	1785.20	40-L5	1230.10
30	43-S5	2194.80	39-S5	1530.00
31	42-S6	2660.70	38-S6	1880.30
32	40-SQ	3499.00	36-SQ	2530.00

Observed Life Table

Retirement Expr. 2004 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 87.0
Sum Of Life Tabl 37.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	115-S.5	3.61	78-R1.5	2.28
2	98-R1	3.93	114-S.5	3.04
3	80-R1.5	4.58	98-R1	3.58
4	126-R0.5	8.48	124-L0	6.32
5	126-L0	9.35	128-R0.5	7.23
6	158-O1	11.82	161-O1	9.51
7	158-SC	11.82	161-SC	9.51
8	175-O2	12.03	175-O2	10.95
9	103-L0.5	19.40	100-L0.5	11.26
10	66-R2	30.99	64-R2	15.16
11	87-S0	35.61	85-S0	22.74
12	76-S0.5	69.43	72-S0.5	44.01
13	85-L1	71.81	82-L1	44.21
14	59-R2.5	81.71	56-R2.5	45.00
15	74-L1.5	113.40	70-L1.5	70.66
16	67-S1	161.49	63-S1	106.93
17	53-R3	206.17	50-R3	126.95
18	61-S1.5	226.39	57-S1.5	148.63
19	65-L2	236.31	61-L2	150.37
20	56-S2	369.40	52-S2	248.69
21	55-L3	454.69	51-L3	295.89
22	175-O3	491.37	44-R4	334.76
23	48-R4	512.63	175-O3	391.63
24	50-S3	624.86	46-S3	421.71
25	48-L4	682.64	44-L4	455.39
26	46-S4	981.87	42-S4	661.26
27	44-R5	1015.80	40-R5	679.07
28	45-L5	1045.60	41-L5	700.27
29	44-S5	1325.20	40-S5	896.55
30	42-S6	1607.00	38-S6	1094.80
31	40-SQ	2160.00	36-SQ	1511.20
32	175-O4	2248.50	175-O4	1728.80

Observed Life Table

Retirement Expr. 2005 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 87.2
Sum Of Life Tabl 37.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	117-S.5	5.37	80-R1.5	3.78
2	100-R1	5.46	117-S.5	4.47
3	81-R1.5	5.59	101-R1	4.68
4	129-R0.5	9.73	131-R0.5	7.55
5	128-L0	11.89	127-L0	8.95
6	161-O1	12.79	165-O1	9.46
7	161-SC	12.79	165-SC	9.46
8	175-O2	15.25	102-L0.5	13.80
9	104-L0.5	20.68	175-O2	14.61
10	67-R2	29.53	65-R2	16.56
11	89-S0	37.10	86-S0	25.90
12	76-S0.5	68.46	57-R2.5	45.19
13	86-L1	69.73	83-L1	45.71
14	59-R2.5	76.42	74-S0.5	46.19
15	75-L1.5	108.52	71-L1.5	70.85
16	67-S1	155.38	64-S1	107.17
17	54-R3	194.31	50-R3	123.38
18	61-S1.5	215.55	62-L2	145.79
19	66-L2	223.01	58-S1.5	146.27
20	56-S2	351.79	53-S2	240.61
21	55-L3	428.84	51-L3	282.86
22	48-R4	481.01	44-R4	319.81
23	175-O3	539.41	47-S3	400.43
24	51-S3	590.97	45-L4	432.03
25	49-L4	645.12	175-O3	433.86
26	46-S4	928.21	42-S4	627.23
27	44-R5	958.76	40-R5	642.60
28	45-L5	986.78	41-L5	661.29
29	44-S5	1252.60	40-S5	842.18
30	42-S6	1527.60	38-S6	1032.80
31	40-SQ	2064.60	36-SQ	1430.20
32	175-O4	2349.80	175-O4	1817.00

New York State Electric and Gas Corporation
Gas Division
380.20 SERVICES - PLASTIC

Summary of Curve Fitting Results

Shrinking Band

T-Cut Age 40 Years

Observed Life Table

Retirement Expr. 2006 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 87.1
Sum Of Life Tabl 37.1

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	100-R1	10.54	101-R1	8.17
2	117-S.5	11.27	81-R1.5	8.53
3	81-R1.5	11.32	118-S.5	8.79
4	129-R0.5	13.84	132-R0.5	9.86
5	162-O1	16.51	167-O1	11.24
6	162-SC	16.51	167-SC	11.24
7	175-O2	19.75	128-L0	15.94
8	129-L0	20.56	175-O2	18.25
9	105-L0.5	29.25	103-L0.5	21.51
10	67-R2	36.09	65-R2	23.61
11	89-S0	47.22	87-S0	35.31
12	87-L1	77.94	57-R2.5	52.50
13	77-S0.5	78.11	84-L1	55.16
14	59-R2.5	82.53	74-S0.5	56.28
15	75-L1.5	116.41	72-L1.5	80.57
16	67-S1	164.61	64-S1	118.62
17	54-R3	198.16	51-R3	131.79
18	61-S1.5	222.27	62-L2	155.08
19	66-L2	227.96	58-S1.5	156.28
20	57-S2	354.37	53-S2	248.70
21	55-L3	427.43	51-L3	288.88
22	48-R4	476.91	44-R4	324.53
23	175-O3	553.40	47-S3	401.79
24	51-S3	583.85	45-L4	431.46
25	49-L4	636.31	175-O3	450.91
26	46-S4	911.25	42-S4	620.29
27	44-R5	941.29	40-R5	634.48
28	45-L5	968.39	41-L5	651.85
29	44-S5	1230.70	40-S5	824.52
30	42-S6	1504.60	38-S6	1011.50
31	40-SQ	2047.90	36-SQ	1404.00
32	175-O4	2375.00	175-O4	1849.90

Observed Life Table

Retirement Expr. 2007 - 2008
Placement Years 1966 - 2008
Max Exposure Age 40
Life Table % Surviving 83.6
Sum Of Life Tabl 36.4

Curve Fitting Period

	Full		15 - 85% Of ASL	
Rank	Life/ Curve	Least Sum Of Square	Life/ Curve	Least Sum Of Square
1	81-R1	10.89	81-R1	8.92
2	101-R0.5	12.40	102-R0.5	9.54
3	95-S.5	13.64	95-S.5	11.16
4	140-O2	16.12	143-O2	11.46
5	125-O1	16.17	127-O1	11.50
6	125-SC	16.17	127-SC	11.50
7	68-R1.5	22.71	67-R1.5	15.72
8	106-L0	30.65	105-L0	24.19
9	88-L0.5	54.69	86-L0.5	40.10
10	76-S0	81.60	57-R2	57.34
11	59-R2	87.79	74-S0	60.88
12	175-O3	110.96	175-O3	100.39
13	67-S0.5	142.67	65-S0.5	103.65
14	76-L1	148.77	73-L1	107.13
15	53-R2.5	185.72	51-R2.5	121.40
16	67-L1.5	223.18	64-L1.5	156.45
17	60-S1	288.45	57-S1	209.89
18	49-R3	391.68	46-R3	264.24
19	56-S1.5	395.49	53-S1.5	282.58
20	60-L2	421.00	57-L2	292.85
21	52-S2	610.28	49-S2	436.32
22	52-L3	766.14	48-L3	531.30
23	45-R4	851.62	42-R4	588.41
24	48-S3	992.61	44-S3	703.19
25	46-L4	1117.30	43-L4	770.65
26	175-O4	1248.40	175-O4	992.92
27	45-S4	1540.60	41-S4	1067.90
28	43-R5	1617.90	39-R5	1112.80
29	44-L5	1660.40	40-L5	1142.20
30	43-S5	2065.20	39-S5	1422.20
31	42-S6	2549.30	38-S6	1758.80
32	40-SQ	3444.90	36-SQ	2401.30

Exhibit 179

New York State Electric and Gas Corporation

Gas Division

380.20 SERVICES - PLASTIC

Original And Smooth Survivor Curves

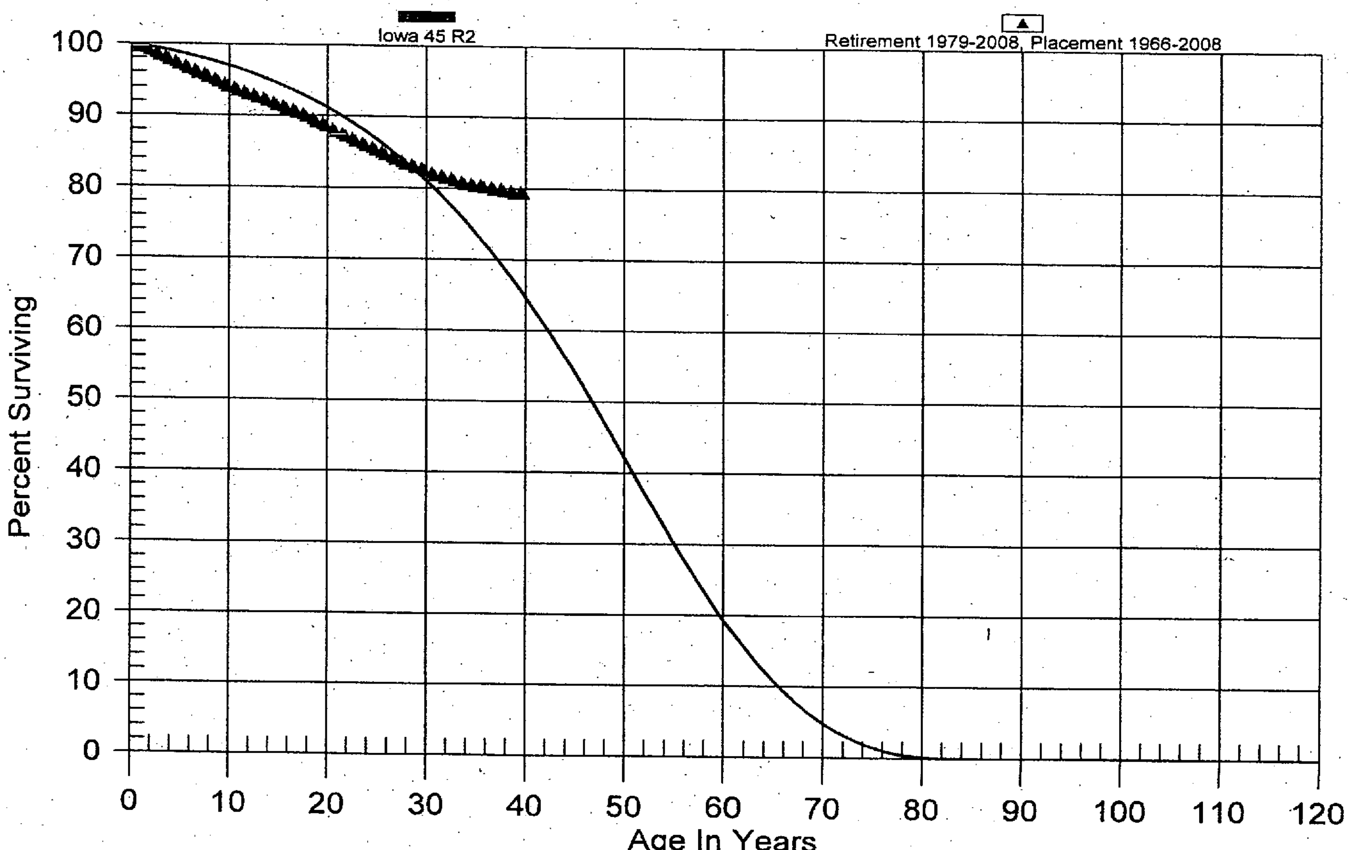

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Exhibit __ (NYSEGDEP-1)
Page 127 of 294

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4-16-10
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New York State Electric and Gas Corporation

Gas Division

380.20 SERVICES - PLASTIC

Original And Smooth Survivor Curves

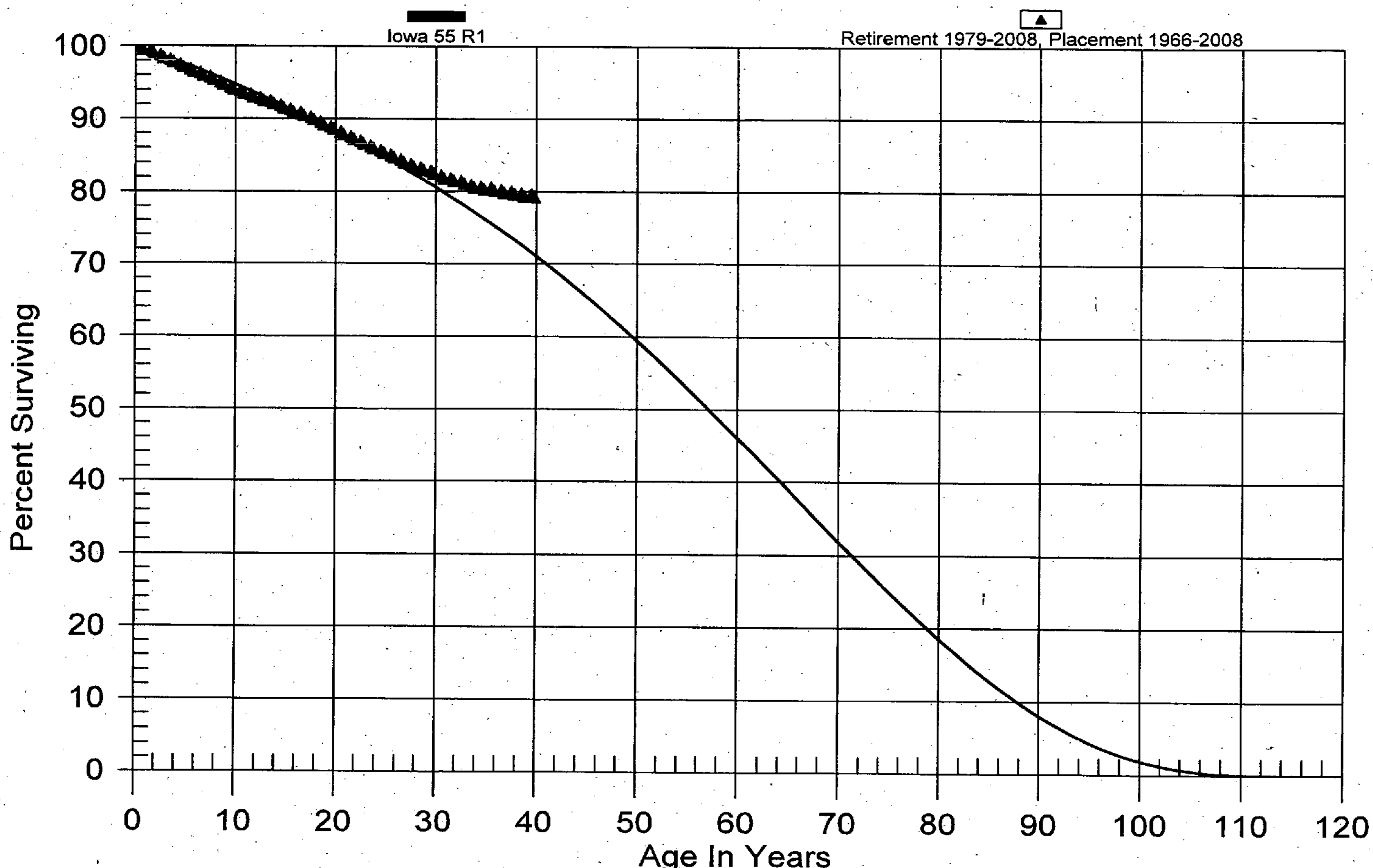

Exhibit 180

180

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Depreciation study as of December 31, 1992 for Marianna Electric Division of Florida Public Utilities Company.	)	DOCKET NO. 930453-EI
	)	ORDER NO. PSC-93-1839-FOF-EI
	)	ISSUED: December 27, 1993

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION

ORDER PRESCRIBING NEW DEPRECIATION RATE SCHEDULES, AND RESERVES FOR FLORIDA PUBLIC UTILITIES COMPANY

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On May 12, 1993, Florida Public Utilities Company (FPUC or the Company) filed its quadrennial depreciation study in accordance with Rule 25-6.0436, Florida Administrative Code. Since the last represcription, changes brought about by Company activity and planning indicates the need to review and possibly revise current prescribed depreciation rates. Data submitted by FPUC and related calculations suggest a January 1, 1994 implementation date for revised rates and schedules.

Corrective Reserves
Attachment A

Our Staff's review indicates that there a number of reserve imbalances existing which result primarily from differences in current and past projections. According to our Staff such deficiencies should be recovered as fast as possible, unless such recovery prevents the Company from earning a fair and reasonable return on its investments. In this case, negative reserve balances exist for the Power Operated account and the Tools, Shop & Garage account, Accounts

STATE OF NEW YORK
DEPT. OF PUBLIC SERVICE
DATE: 4/21/10
CASE NO: 09-E-0715
EXHIBIT: 180

396 and 394.1 respectively. The cause for these deficiencies is that more retirements have occurred than are currently provided for in the design of the previously prescribed depreciation rates. An apparent reserve surplus exists in the Poles, Towers, and Fixtures account, Account 364, that can be used to correct the deficiencies in the accounts described above. This action will bring each affected account's reserve more in line with its calculated theoretical level.

Also, in light of the possible impact on cost allocations, the Company should make corresponding entries to the related depreciation expense accounts. (Attachment C)

<u>Depreciation Rates and Amortization Schedules</u>
<u>(Attachment B)</u>

Our staff and FPUC agree on lives, net salvages, and resulting depreciation rates, on all but 5 accounts. Those accounts are Poles, Towers, and Fixtures; Overhead Conductors and Devices; Line Transformers; Meters; Tools, Shop & Garage Equipment; and Power Operated Equipment. These accounts are discussed below.

<u>Poles, Towers, and Fixtures (Account 364)</u>

The difference between the remaining life positions of the Company and staff is due only to rounding. When the remaining life is twenty years or more, our staff's position is to round to the nearest year. We can find no persuasive argument that would require us to be so precise in an estimate some 20 years in the future.

FPUC has indicated that its salvage experience indicates a return to the negative pattern of the 1970s and early 1980s. A factor of negative 25% was therefore proposed for this account. Net salvage for the 1988-1992 period has ranged from 29% to negative a 40%, with a 5-year average of approximately 1%. Our staff agrees with the Company that the positive salvage should be considered abnormal and not indicative of future expectations, but can not agree with reliance on one year's experience as a reason to change current prescribed negative 20% net salvage especially when retirement activity has consistently been minimal.

There is also a difference in the reserve positions of the Company and staff which were previously discussed in our treatment of corrective reserve measures.

<u>Overhead Conductors and Devices (Account 365)</u>

As stated earlier, when the remaining life is twenty years or more, our staff's position is to round to the nearest year. The difference between the remaining life positions of the Company and staff are due only to rounding.

Line Transformers & Meters (Account 368, 370)

FPUC has proposed service lives of 34 and 38 years, remaining lives of 22.8 and 23.9 years and net salvage factors of negative 20% and negative 25% for transformers and meters respectively. The Company indicated that the proposed service lives resulted from simulation studies. However, rather than rely solely on statistics, our staff prefers to know why a change is necessary. Primarily, our staff prefers data based upon Company operations expected to impact the future life and salvage parameters. Without such information, our staff's position is to retain current prescribed factors. In this case, service lives underlying currently prescribed remaining lives for each of these accounts are 20 years and 30 years, respectively. Current service life projections seen from other companies in the State of Florida range from 16 years to 29 years for transformers and 25 years to 30 years for meters. FPUC's proposal exceeds these ranges and lack any support other than their reliance upon statistics. We agree with our staff that there is no reason to change existing service life parameters from the data submitted by FPUC. Our staff's remaining life reflects an update of currently prescribed factors with activity since the last depreciation study.

Our Staff expressed a concern over the high costs of removal incurred by FPUC for these accounts. According to FPUC, the reason for the high removal cost has been a result of booking the removal of transformers and meters that were for refurbishment as costs of removal. With FPUC's expressed position, they will no longer use the procedure and we can expect not to see this type of activity in the future and will retain the current prescribed net salvage factor of negative 10%.

Tools, Shop & Garage Equipment (Account 394.1)

Our staff indicates that the difference between the positions of the Company and staff in this account is due to the reserve position. We agree with our staff's recommendation which is reflected in the corrective reserve measures discussed previously in this order.

Power Operated Equipment (Account 396)

While our staff and the Company agree on a 14-year service life, there is a difference in positions regarding remaining life. Our Staff's recommendation for recalculation of the account's average age recognizes 1993 activity.

According to our Staff although relatively little activity has been experienced in this account, the net salvage incurred appears to indicate a net salvage more in the range of 10% rather than the Company's proposed 5%. This reserve position is also reflective of the corrective reserve measures discussed previously.

Recovery Schedules
(Attachment C)

Our staff recommends recovery schedules designed to recover the net investments associated with the retiring hydraulic plant and PCB capacitors disposal. According to data submitted by the Company, the hydraulic plant has ceased operation and estimates for repairing the equipment show that refurbishment is not cost justified. In addition, there is a pending lawsuit with the State of Florida on who actually owns the property on which the plant is located. For these reasons, the plant is being retired by year-end 1993. FPUC has proposed a recovery schedule designed to recover the associated net investments over a 4-year period. There appears to be some question as to whether the plant will be fully dismantled, therefore, the Company is requesting the recovery of removal costs incurred only through year-end 1993 ($36,704). If it is determined that the plant will indeed be dismantled, FPUC should accordingly petition the Commission for additional recovery.

Additional removal costs are being incurred to dispose of some PCB capacitors that were previously buried upon retirement. It is now necessary to dig those capacitors up and otherwise dispose of them to avoid future contamination of the soil and subsurface water. According to FPUC, these removal and disposal activities will be completed by year-end 1993. Current estimates for this removal are $77,500 which FPUC has proposed to place in a 4-year recovery schedule.

Our staff supports the use of recovery schedules to address the recovery of the net investments discussed above. Although staff would ordinarily recommend a faster recovery period due to the plant no longer in service, our staff recommends that due to these costs not being life related and the fact that the Company is currently seeking revenue rate relief in another docket, the 4-year recovery periods should be approved.

Based upon the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Public Utilities Company, Marianna Electric Division, shall record the corrective reserve transfers set forth in Attachment A. It is further

ORDERED that the depreciation rates and amortization schedules set forth in Attachment B to this order are hereby approved for Florida Public Utilities Company, Marianna Electric Division. It is further

ORDERED that Florida Public Utilities Company, Marianna Electric Division, shall implement the recoveries schedules that are set forth in Attachment C. It is further

ORDERED that the effective date of the new rates, schedules and reserves is January 1, 1994. It is further

ORDERED that this Order shall become final and this docket shall be closed unless an appropriate petition for formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review.

By ORDER of the Florida Public Service Commission, this 27th day of December, 1993.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)
MRC:bmi

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on January 17, 1994.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

In Re: Application of General Telephone Company of Florida for New Depreciation Rates.
Docket No. **840049**-TL
Order No. 14929

Florida Public Service Commission
September 11, 1985

Before John R. Marks, III, Chairman, Joseph P. Cresse, Gerald L. Gunter and Michael McK. Wilson, Commissioners.

NOTICE OF PROPOSED AGENCY ACTION ORDER REPRESCRIBING DEPRECIATION RATES

BY THE COMMISSION:

Notice is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for formal proceeding pursuant to Rule 25-22.29, Florida Administrative Code.

This proceeding was initiated on February 9, 1984, when General Telephone Company of Florida (Gentel or Company) submitted its depreciation study for our review. Pursuant to Florida Administrative Code Rule 25-4.175, telephone companies are required to file a depreciation study with the Commission at least once every three years. Our last review of Gentel's depreciation study took place in 1981 and resulted in new depreciation rates being put into effect in December 1981. At that time we found it appropriate to implement a change from whole life to remaining life depreciation methodology and we also prescribed amortization schedules addressing negative reserve components of electromechanical switchers. In the Company's concurrent rate case we also prescribed vintage group rates for new additions to plant.

Since Gentel's last depreciation represcription there have been substantial developments in the areas of technology and competition which we believe should be reflected in new depreciation rates. We believe that it is imperative that we address the effects of these pressures now, notwithstanding the current controversy which has arisen over the Federal Communications Commission preemption of intrastate depreciation rates. This Commission is actively participating in proceedings before the United States Supreme Court where the issue of FCC preemption will finally be resolved. However, in view of the age of this docket and the uncertainties of the date of the Court's final decision, we believe it is our duty and in the best interest of the Company and the ratepayers to move forward with represcription of the Company's intrastate depreciation rates. The specific rates and recovery schedules are discussed in the body of this order and in the attached Schedules 1 - 5.

The Company has asked for a May 1, 1985 implementation date for the new rates. However, we believe that it would be appropriate for the new rates to be effective January 1, 1985. The same effective date was approved by the FCC in the Company's depreciation proceedings before that agency.

Reserve Deficit

Based on the Staff's calculations we have determined that Gentel's net reserve deficit amounts to some $32,138,000. This amount was derived by calculating a reserve imbalance by depreciable account or sub-account for all investments except those associated with electromechanical and electronic analog switchers planned for retirement during 1985-1987, those associated with potential investments in plant to be stranded by 1987 and those associated with Drop and Block Wire. The various reserve imbalances were then netted to a bottom line.

As a result of the netting of the reserve imbalances each associated account or sub-account should be restated at the theoretically correct position, as shown in Schedule 1 attached to this order. Rates for new additions will be the same as for embedded plant except for the electromechanical, electronic and digital switching accounts. These accounts are measured against the average date of final retirement, and new additions have been given a separate rate in accord with their resultant shortened lives. Those rates are set out on Schedule 2 attached to this order.

We believe that it is in the interest of both Gentel's customers and its stockholders that the Company's $32,138,000 deficit be written off in as short a time as practicable. In this case we find that a five-year period is appropriate. This results in an amortization amount of $6,427,600 per year or $535,633 per month. The Company shall create a separate subaccount in the accumulated depreciation reserve to reflect the amortization of this deficit. No further surpluses or deficits should be included in this subaccount without Commission approval.

Depreciation Rates and Recovery Schedules

The Staff has made a comprehensive review of Gentel's depreciation study and has recommended rates for the Company's intrastate operations. Based on the Staff's recommendation we find the appropriate depreciation rates and components are set forth on Schedule 3 attached to this order with the exception of special rates developed for short-lived electromechanical and local electronic analog switching additions. The rates for these short-lived additions are shown on Schedule 4 attached to this order. The treatment reflected in that schedule is designed to recover each year's additions over their composite remaining life.

The approved recovery schedules covering switchers being retired during the next three years and potential stranded investments are set forth on Schedule 5 attached to this order. These schedules reflects the period beginning January 1, 1985 and continuing through December 31, 1987.

Status Reports

In consideration of the recovery schedules recommended for near-term retirement of switchers and for stranded investments, we find that it would be appropriate to require the Company to submit quarterly status reports beginning January 1, 1986. With the phasing-out of installations there may be variations between actual and projected activity. Therefore, we believe that the Company should submit quarterly reports covering: 1) 1985-1987 electromechanical switching retirements; 2) 1985-1987 electronic analog switching retirements; and 3) stranded investments in each of the circuit, radio, buried cable, underground cable, and conduit accounts. These reports should show plant balances and activity as well as reserve balances and activity and should also list any changes in plans (such as retirement dates or lease agreements) or changes anticipated net salvage.

In consideration of the foregoing, it is

ORDERED by the Florida Public Service Commission that the depreciation rates set forth in the body of this order and on Schedules 1 through 5 attached to this order be and the same are hereby approved for General Telephone Company of Florida. It is further

ORDERED that the effective date of the new rates is January 1, 1985. It is further

ORDERED that the Company shall file quarterly reports as set forth in the body of this order. It is further

ORDERED that in the event this order becomes final as set forth below this docket shall be closed. It is further

ORDERED that this order will become effective on October 2, 1985 unless a petition for formal proceedings is received by October 1, 1985.

By ORDER of the Florida Public Service Commission this 11th day of September 1985.

STEVE TRIBBLE COMMISSION CLERK

(SEAL)

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by

Section 120.59(4), Florida Statutes (Supp. 1984), to notify parties of any administrative hearing or judicial review of Commission orders that may be available, as well as the procedures and time limits that apply to such further proceedings. This notice should not be construed as an endorsement by the Florida Public Service Commission of any request nor should it be construed as an indication that such request will be granted.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.29, Florida Administrative Code. Any person adversely affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.29(4), Florida Administrative Code, in the form provided by Rule 25-22.36(7)(a) and (f), Florida Administrative Code. This petition must be received by the Commission Clerk at his office at 101 East Gaines Street, Tallahassee, Florida 32301, by the close of business on October 1, 1985. In the absence of such a petition, this order shall become effective October 2, 1985, as provided by Rule 25-22.29(6), Florida Administrative Code, and as reflected in a subsequent order.

If this order becomes final and effective on October 2, 1985, any party adversely affected may request judicial review by the Florida Supreme Court by the filing of a notice of appeal with the Commission Clerk and the filing of a copy of the notice and filing fee with the Supreme Court. This filing must be completed within 30 days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

Schedule 1

GENERAL TELEPHONE COMPANY OF FLORIDA

ACCOUNT		1-1-85 RESTATED RESERVE BY ACCOUNT TO BE BROUGHT FORWARD BY ANNUAL ACTIVITY
		($000)
212	Buildings	
	Single-Unit Switching	8,978
	Multi-Unit Switching	1,957
	Plant Buildings	4,777
	Office Buildings	16,812
	Other Buildings, Towers, and Leasehold Improvements	4,317
221	Central Office Equipment	
	Electromechanical/AMR	60,739
	Electronic Switching	
	Local	92,989
	Toll	91
	Other Electronic Boards	111
	Digital/AMR Switching	
	Local	5,794

	Toll	3,382
	Manual/Digital Toll	4,985
	Circuit and Circuit DDS	41,453
	Circuit Optical	122
	Radio and Radio DDS	12,074
231	Station Equipment	
	Network Terminating Equipment	3,594
	Subscriber Carrier Equipment	3,879
	TDD Equipment	8
234	Large PBX	
	Special PBX	3,156
235	Public Telephone Equipment	6,067
241	Pole Lines	5,036
241.1	Aerial Cable	
	Metallic	36,494
	Fiber	0
	Drop and Block	3,744[a1]
242.2	Underground Cable	
	Metallic	26,899
	Fiber	159
242.3	Buried Cable	
	Metallic	99,718
	Fiber	32
	Drop and Block	10,352[a1]
242.4	Submarine Cable	
	Metallic	1,771
	Fiber	1
243	Aerial Wire	2,787
244	Conduit	15,494
261	Furniture and Office Equipment	
	Office Furniture	966
	Office Machines	1,024
	Computer/Data Equipment	1,135
262	Official Telephones	9,909
	Official PBX	4,896

264	Motor Vehicles and OWE	
	Motor Vehicles	
	Passenger Cars	1,533
	Light Trucks	7,210
	Heavy Trucks	955
	Heavy Equipment	992
	Shop Equipment	106
	Other Work Equipment	3,122
	Recovery Schedules:	
	Electromechanical/AMR rets. (1985 - 1987)	118,334[a1]
	Electronic Analog Switching rets. (1985 - 1987)	4,036[a1]
	Stranded Investment:	
	Radio	4,603[a1]
	Circuit	11,541[a1]
	Buried Cable	1,095[a1]
	Underground Cable	400[a1]
	Conduit	287[a1]

a1. Book Reserve

Schedule 2

DEPRECIATION RATES FOR ADDITIONS TO SWITCHING INSTALLATIONS

DEPRECIATION RATES FOR ADDITIONS TO ELECTROMECHANICAL INSTALLATIONS SCHEDULED FOR RETIREMENT AFTER 1987

	Remaining Life	Net Salvage	Depreciation Rate
1985	3.9 yrs.	3%	24.9%
1986	3.3 yrs.	3%	29.4%
1987	2.9 yrs.	2%	33.8%

DEPRECIATION RATES FOR ADDITIONS TO LOCAL ANALOG SWITCHING INSTALLATIONS SCHEDULED FOR RETIREMENT AFTER 1987

	Remaining Life	Net Salvage	Depreciation Rate
1985	7.2 yrs.	0%	13.9%
1986	6.8 yrs.	0%	14.7%
1987	6.3 yrs.	0%	15.9%

DEPRECIATION RATES FOR ADDITIONS TO EXISTING DIGITAL SWITCHERS LOCAL SWITCHERS

	Remaining Life	Net Salvage	Depreciation Rate
1985	12.5 yrs.	4%	7.7%
1986	11.8 yrs.	6%	8.0%
1987	11.1 yrs.	6%	8.5%

DEPRECIATION RATES FOR ADDITIONS TO EXISTING DIGITAL SWITCHERS TOLL SWITCHERS

	Remaining Life	Net Salvage	Depreciation Rate
1985	13.0 yrs.	0%	7.7%
1986	12.2 yrs.	0%	8.2%
1987	11.5 yrs.	0%	8.7%

NEW DIGITAL INSTALLATIONS GOING INTO SERVICE DURING 1985 - 1987 LOCAL SWITCHERS

	Average Service Life	Net Salvage	Depreciation Rate
	15 yrs.	(5)%	7.0%

Schedule 3

GENERAL TELEPHONE COMPANY OF FLORIDA

Depreciation Rates and Components

	COMMISSION APPROVED EFFECTIVE JANUARY 1, 1985			
ACCOUNT	AVERAGE RE- MAINING LIFE	FUTURE NET SALVAGE	APPROPRIATE RESERVE[aa1]	REMAINING LIFE RATE
	(years)	(%)	(%)	(%)

212	Buildings				
	Single-Unit Switching	23	0	24.10	3.3
	Multi-Unit Switching	29	0	27.50	2.5
	Plant Buildings	21	0	30.70	3.3
	Office Buildings	42	0	24.40	1.8
	Other Buildings, Towers, and Leasehold Improvements	18.4	0	39.30	3.3
221	Central Office Equipment				
	Electromechanical/AMR	4.7	(3)	53.65	10.5
	Electronic Switching				
	Local	7.8	0	33.7	8.5
	Toll	15.1	0	19.97	5.3
	Other Electronic Boards	12.4	1	7.24	7.4
	Digital/AMR Switching				
	Local	13.2	5	11.84	6.3
	Toll	13.7	5	10.06	6.2
	Manual/Digital Toll	14	1	29.0	5.0
	Circuit and Circuit	11.2	5	16.6	7.0

	DDS.				
	Circuit Optical	9.2	0	8.0	10.0
	Radio and Radio DDS	6.5	(3)	51.0	8.0
231	Station Equipment				
	Network Terminating Equipment	4.1	4	48.03	11.7
	Subscriber Carrier Equipment	4.3	4	45.26	11.8
	TDD Equipment	4.7	4	40.54	11.8
234	Large PBX				
	Special PBX	4.5	2	45.8	11.6
235	Public Telephone Equipment	4.0	4	48.8	11.8
241	Pole Lines	20	(50)	30.0	6.0
241.1	Aerial Cable				
	Metallic	17.5	(20)	41.25	4.5
	Fiber	19.6	(15)	1.32	5.8
	Drop and Block	20	0		5.0
242.2	Underground Cable				
	Metallic	27	(5)	15.9	3.3
	Fiber	18.9	(5)	4.83	5.3

242.3	Buried Cable				
	Metallic	23	(5)	24.5	3.5
	Fiber	19.1	(5)	3.77	5.3
	Drop and Block	20	0		5.0
242.4	Submarine Cable				
	Metallic	17.7	(5)	37.74	3.8
	Fiber	19	(5)	4.3	5.3
243	Aerial Wire	7.6	(30)	46.4	11.0
244	Conduit	51	(7)	15.2	1.8
261	Furniture and Office Equipment				
	Office Furniture	17.6	3	10.76	4.9
	Office Machines	7.3	0	42.33	7.9
	Computer/Data Equipment	5.6	1	15.0	15.0
262	Official Telephones	3.4	4	52.48	12.8
	Official PBX	5.3	2	34.4	12.0
264	Motor Vehicles and OWE				
	Passenger Cars	4.4	25	32.32	9.7

	Light Trucks	3.0	25	46.8	9.4
	Heavy Trucks	5.8	10	47.66	7.3
	Heavy Equipment	4.6	10	56.42	7.3
	Shop Equipment	13.6	8	21.28	5.2
	Other Work Equipment	7.1	5	33.94	8.6
	Recovery Schedules:				
	Electromechanical/AMR rets. (1985 - 1987)	3 year recovery schedule			
	Electronic Analog Switching rets. (1985 - 1987)	3 year recovery schedule			
	Stranded Investment:				
	Radio	3 year recovery schedule			
	Circuit	3 year recovery schedule			
	Buried Cable	3 year recovery schedule			
	Underground Cable	3 year recovery schedule			
	Conduit	3 year recovery schedule			

aa1. Denotes Staff calculated theoretical reserve.

Schedule 4

Depreciation Rates For Short-Lived Electromechanical Switching Additions

	Remaining Life	Net Salvage	Depreciation Rate
	(years)	(%)	(%)
1985	2.1	4	45.7

1986	1.3	4	73.8
1987	0.5	3	194.0

Depreciation Rates For Short-Lived Local Electronic Analog Switching Additions

	Remaining Life	Net Salvage	Depreciation Rate
	(years)	(%)	(%)
1985	1.6	23.0	48.1
1986	1.1	20.0	72.7

Schedule 5

GENERAL TELEPHONE COMPANY OF FLORIDA

Recovery Schedules

Effective January 1, 1985, Continuing through December 31, 1987

1.	Electromechanical/AMR 1985-1987 retirements:	
	Investment =	$180,406,996
	Less reserve =	118,334,388
	Less 2.5% salvage =	4,510,175
	Unrecovered investment	$ 57,562,433
	Expenses per year	$ 19,187,478
	Expenses per month	$ 1,598,956
2.	Electronic Analog Switching 1985-1987 retirements:	
	Investment =	$11,480,689
	Less reserve =	4,036,027
	Unrecovered Investment =	$ 7,444,662
	Expenses per year	$ 2,481,554

	Expenses per month	$ 206,796
3.	Stranded Investment:	
	Radio	
	Investment =	$11,141,042
	Less reserve =	4,602,882
	Less 20% salvage =	2,228,208
	Unrecovered Investment	$ 4,309,952
	Expenses per year	$ 1,436,651
	Expenses per month	$ 119,721
	Circuit	
	Investment =	$70,432,750
	Less reserve =	11,541,115
	Less 20% salvage =	14,086,550
	Unrecovered investment	$44,805,085
	Expenses per year	$14,935,028
	Expenses per month	$ 1,244,586
	Buried Cable	
	Investment =	$1,507,612
	Less Reserve =	1,094,557
	Unrecovered investment	$ 413,065
	Expenses per year	$ 137,688

Expenses per month	$ 11,474
Underground Cable	
Investment =	$640,330
Less Reserve =	400,231
Unrecovered Investment	$240,099
Expenses per year	$ 80,033
Expenses per month	$ 6,669
Conduit	
Investment =	$821,584
Less Reserve =	287,235
Unrecovered Investment	$534,349
Expenses per year	$178,116
Expenses per month	$ 14,843

As printed in Florida Public Service Commission Reporter

END OF DOCUMENT

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	DOCKET NO. 080677-EI
In re: 2009 depreciation and dismantlement study by Florida Power & Light Company.	DOCKET NO. 090130-EI ORDER NO. PSC-10-0153-FOF-EI ISSUED: March 17, 2010

The following Commissioners participated in the disposition of this matter:

NANCY ARGENZIANO, Chairman
LISA POLAK EDGAR
NATHAN A. SKOP
DAVID E. KLEMENT
BEN A. "STEVE" STEVENS III

APPEARANCES:

R. WADE LITCHFIELD, MITCHELL S. ROSS, JOHN T. BUTLER, BRYAN S. ANDERSON, and JESSICA A. CANO, ESQUIRES, 700 Universe Boulevard, Juno Beach, Florida 33408-0420; and
SUSAN F. CLARK., Radey Thomas Yon & Clark, P.A., 301 South Bronough Street, Suite 200, Tallahassee, Florida 32301
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On behalf of the FLORIDA ASSOCIATION FOR FAIRNESS IN RATE MAKING (AFFIRM)

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On behalf of the ATTORNEY GENERAL FOR THE CITIZENS OF FLORIDA (AG)

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On behalf of the CITY OF SOUTH DAYTONA (CSD)

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On behalf of the Florida Retail Federation (FRF)

KENNETH L. WISEMAN, Andrews Kurth LLP, 1350 I Street NW, Suite 1100, Washington, D.C. 20005; MARK F. SUNDBACK, Andrews Kurth LLP, 1350 I Street NW, Suite 1100, Washington, D.C. 20005; JENNIFER L. SPINA, Andrews Kurth LLP, 1350 I Street NW, Suite 1100, Washington, D.C. 20005; LISA M. PURDY Andrews Kurth LLP, 1350 I Street NW, Suite 1100, Washington, D.C. 20005; LINO MENDIOLA, Andrews Kurth LLP, 111 Congress Avenue, Suite 1700, Austin, Texas 78701; and MEGHAN E. GRIFFITHS, Andrews Kurth LLP, 111 Congress Avenue, Suite 1700, Austin, Texas 78701.
On behalf of the South Florida Hospital and Healthcare Association (SFHHA)

D. MARCUS BRASWELL, JR., ESQUIRE AND ROBERT A SUGARMAN, ESQUIRE, 100 Miracle Mile, Suite 300, Coral Gables, FL 33134
On behalf of IBEW System-Council U-4 (SCU-4)

STEPHEN STEWART Post Office Box 12878, Tallahassee, Florida 32317
On behalf of Mr. Richard Unger (UNGER)

LISA C. BENNETT, MARTHA CARTER BROWN, JEAN HARTMAN, ANNA WILLIAMS, KEINO YOUNG, and KATHRYN COWDERY, ESQUIRES, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission (STAFF).

MARY ANNE HELTON, Deputy General Counsel, SAMANTHA CIBULA, ADAM TEITZMAN, and JENNIFER BRUBAKER, ESQUIRES, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
Advisors to the Florida Public Service Commission.

ORDER DENYING IN PART, AND GRANTING IN PART, FLORIDA POWER & LIGHT COMPANY'S REQUEST FOR A PERMANENT RATE INCREASE AND SETTING DEPRECIATION AND DISMANTLEMENT RATES AND SCHEDULES

BY THE COMMISSION:

BACKGROUND

This proceeding commenced on March 18, 2009, with the filing of a petition for a permanent rate increase by Florida Power & Light Company (FPL or Company). The Company is engaged in business as a public utility providing electric service as defined in Section 366.02, Florida Statutes (F.S.), and is subject to our jurisdiction. FPL provides electric service to approximately 4.5 million retail customers in all or parts of 35 Florida counties.

FPL requested an increase in its retail rates and charges to generate $1.044 billion in additional gross annual revenues, effective January 4, 2010. If granted, this increase would have allowed the Company to earn an overall rate of return of 8.00 percent or a 12.50 percent return on equity, with a range of 11.50 percent to 13.50 percent. The Company based its request on a projected test year ending December 31, 2010. FPL also requested a $247.4 million subsequent year base rate increase effective January 2011. This additional increase would have allowed the Company to earn an overall rate of return of 8.18 percent or a 12.50 percent return on equity (range 11.50 percent to 13.50 percent). The Company based its subsequent year request on a projected test year ending December 31, 2011. In addition to its 2010 and 2011 rate increases, FPL requested approval of a Generation Base Rate Adjustment (GBRA) mechanism that would allow FPL to increase base rates for revenue requirements associated with new generating additions approved under the Power Plant Siting Act at the time the plants enter commercial service. FPL did not request any interim rate relief. Order No. PSC-09-0351-PCO-EI, issued May 22, 2009, in this docket, suspended the proposed final rates.

The Office of Public Counsel (OPC), the Office of the Attorney General (AG), the Florida Industrial Power Users Group (FIPUG), The Florida Retail Federation (FRF), the Florida Association for Fairness in Rate Making (AFFIRM), the Federal Executive Agencies (FEA), the South Florida Hospital and Healthcare Association (SFHHA), the Associated Industries of Florida (AIF), the City of South Daytona, Florida (South Daytona), the I.B.E.W. System Council U-4 (SCU-4), the FPL Employee Intervenors (Employee Intervenors), and Richard Unger (Unger) intervened in this proceeding. OPC, AG, FIPUG, FRF, AFFIRM, FEA, SFHHA, South Daytona and Mr. Unger objected to FPL's petition for rate increase. OPC, FIPUG, and SFHHA filed testimony supporting a rate decrease.

Pursuant to Florida Statutes, we conducted 9 customer service hearings at the following locations and dates: Sarasota and Ft. Myers, June 19, 2009; Daytona Beach, June 23, 2009; Melbourne and West Palm Beach, June 24, 2009; Ft. Lauderdale and Miami, June 25, 2009; and Miami Gardens and Plantation, June 26, 2009. The Technical Hearing was held in Tallahassee on August 24-28 and 31, 2009, September 2-5, 16 and 17, 2009, and October 21-23, 2009. During the hearing, we approved several stipulated issues, which are reflected in Appendix A to this Order.

On January 13, 2010, at a Special Agenda Conference, we considered the revenue requirements and rate design for FPL. At a January 29, 2010, Special Agenda Conference, we considered the rates to be charged to FPL's customers. This Order reflects our decisions in these dockets. We have jurisdiction over this matter pursuant to Chapter 366, F.S., including Sections 366.041, 366.06, 366.07, and 366.076, F.S.

2010 PROPOSED TEST PERIOD

Legal authority to approve base rate increase

The parties requested that we rule on whether we had the legal authority to use a projected test year in setting rates. In 1983, the Florida Supreme Court, in a telecommunications case, settled that question:

> Section 364.035(1), Florida Statutes (1981) [telecommunications], provides that the Commission has the authority to fix "just, reasonable, and compensatory rates." Nothing in the decisions of this Court or any legislative act prohibits the use of a projected test year by the Commission in setting a utility's rates. We agree with the Commission that it may allow the use of a projected test year as an accounting mechanism to minimize regulatory lag. The projected test period established by the Commission is a ratemaking tool which allows the Commission to determine, as accurately as possible, rates which would be just and reasonable to the customer and properly compensatory to the utility.

Southern Bell Tel. & Tel. Co. v. Public Service Commission, 443 So. 2d 92, 97 (Fla. 1983) (Southern Bell). As we had the authority in telecommunications to use a projected test year, so also do we have the authority to fix "just, reasonable, and compensatory rates" for investor-owned electric utilities. See Section 366.041(1), F.S. A comparison of Section 364.035(1) to

366.041(1), F.S., reveals virtually identical language for the two different industries. In 1985, in an investor-owned electric utility case, the Florida Supreme Court acknowledged our inherent authority to combat regulatory lag by considering and recognizing factors which affect future rates and to grant rate increases based on those factors. Floridians United for Safe Energy, Inc. v. Public Service Commission, 475 So. 2d 241, 242 (Fla. 1985) (Floridians United).

By adopting Rule 25-6.140, Florida Administrative Code (F.A.C.), we codified the Supreme Court's decisions in Southern Bell and Floridians United by requiring an investor-owned electric utility to give an explanation for the test year if the utility chooses to select a projected test year. We have on numerous occasions over the past 20 years used the projected test year method of accounting to set rates for electric utilities. Accordingly, we determine that we have the legal authority to approve a base rate increase using a 2010 projected test year.

Projected Test Period

FPL proposed to utilize a fully projected 2010 test year as the basis for its overall jurisdictional revenue requirement calculation. Generally, the periods covered in FPL's Minimum Filing Requirements (MFRs) in support of its application were the 2008 historical year, 2009 Prior Year, and 2010 Test Year. FPL filed its MFRs based upon forecasts completed in late 2008. The accuracy of FPL's 2010 forecasts is discussed more extensively in our consideration of forecasts of customers, below.

As we have acknowledged in prior dockets, there are primarily two options we may use in evaluating a utility's rate case. The two options are the historic test year and the projected test year. Both options have strengths and weaknesses. In determining to use the projected test year for Gulf[1] in its 2001 rate request, we stated:

> The historical test year has the advantage of using actual data for much of rate base, NOI, and capital structure; however, the pro forma adjustments usually do not represent all the changes that occur from the end of the historical period to the time new rates are in effect. Therefore, this option generally does not present as complete an analysis of the expected financial operations as a projected test year.
>
> The main advantage of a projected test year is that it includes all information related to rate base, NOI, and capital structure for the time new rates will be in effect. However, the data is projected and its accuracy depends on the Company's ability to use the forecast for setting rates.

In granting Gulf's request for the use of the projected test year, we acknowledged that extensive discovery was conducted on the forecasts, and, with adjustments, was appropriate.

In this docket, we find that the projected test year of the twelve months ended December 31, 2010, provides the best opportunity for a proper matching of revenues, expenses, and rate

[1] Order No. PSC-02-0787-FOF-EI, issued June 10, 2002, in Docket No. 010949-EI, In re: Request for rate increase by Gulf Power Company.

base investment for 2010. Accordingly, we accept FPL's proposed 2010 year proposed, with the adjustments discussed below.

Forecasts of customers

FPL's 2010 forecast of customers, kilowatt hours (kWh), and kilowatts (kW) by rate class are consistent with the sales and customer forecast by revenue class and reflect the particular billing determinants specified in each rate schedule if certain adjustments are made to the forecast. Both FPL and OPC suggested changes to FPL's load forecast.

FPL's 2010 forecast of customers, kWh, and kW was sponsored by FPL witnesses Rosemary Morley and Philip Q. Hanser. The two primary elements of FPL's projections were its forecasts of the total number of customers and the Net Energy for Load (NEL). FPL forecasted the total number of customers with an econometric model using population and seasonal factors as explanatory variables. FPL forecasted NEL per customer with an econometric model based upon the level of economic activity, weather, and the price of electricity. NEL was then projected by multiplying the customer forecasts by the NEL per customer forecasts. FPL relied upon independent sources for its forecast assumptions such as the University of Florida's Bureau of Economic and Business Research (BEBR) for its population projections, and Global Insight, Moody's Economy.com, and the Florida Legislature for its economic projections.

These aggregate forecasts were then broken down into separate revenue class forecasts (e.g. Residential, Commercial, Industrial, etc.) for the number of customers and kWh sales by revenue class. These projections were ultimately used to determine the level of test year revenues FPL would earn in 2010 under its current rates and, together with the Company's revenue requirement for 2010, determine the amount of rate relief FPL was requesting in its petition.

FPL's forecast was prepared in late 2008 and used historical monthly data from 1990 through October 2008 for its customer forecast, and historical monthly data from 1998 through October 2008 for its NEL per customer forecast. FPL's customer forecast relied upon the University of Florida's October 2008 population projections. FPL's economic assumptions used in its NEL model were based upon economic forecasts formulated in the latter half of 2008 from Global Insight, Economy.com and other sources. In light of the current economic conditions, we have concern over the use of historic data to guide us in this current economy and believe adjustments are necessary.

In an attempt to reflect current economic conditions not captured in the historic data, FPL made several adjustments to the output of its NEL per customer econometric model. First, FPL adjusted for the impact of two wholesale contracts. Second, FPL reduced its NEL forecast to capture the influence of changes in the appliance stock and new energy efficiency standards. Third, after adjusting the NEL forecast for these two effects, FPL made a "re-anchoring" adjustment to the output of its NEL model so that the output of the model equaled the latest available actual 2008 level of sales. Fourth, FPL adjusted its NEL per customer forecast to capture the impact of the recent escalation in the number of homes left vacant due to the housing crisis. Many of these vacant homes were still active accounts although they consumed only a small amount of electricity. Because FPL believed that the impact of these vacant homes was not fully reflected in the historical data used to estimate the econometric models, FPL adjusted downwards its NEL per customer forecasts to reflect the presence of these "minimal use customers" during 2009, 2010, and 2011. As a result, FPL projected the number of customers to increase by 0.2 percent in 2009, and increase by 0.6 percent in 2010. FPL projects NEL per customer to decrease by 1.7 percent in 2009, and increase by 0.1 percent in 2010.

We agree with the first two adjustments made by FPL. However, as to the third and fourth adjustments suggested by FPL, we disagree. While FPL's third and fourth suggested adjustments were made to reflect the impact of changing economic times, we believe that OPC witness's Brown's methodology more appropriately incorporates this uncertainty into the load forecast.

With respect to FPL's third suggested adjustment, the "re-anchoring" adjustment, we agree that such an adjustment is appropriate. However, since the increase in the number of "minimal use customers" began prior to 2008, we agree with OPC witness Brown that it is appropriate to apply the "minimal use customer" adjustment to the 2008 output of FPL's NEL model prior to making the "re-anchoring" adjustment.

With respect to FPL's adjustment for "minimal use customers," we find that the measurement of the percentage of customers who normally use a minimal amount of electricity should be based upon data spanning a longer period, such as from September 2002 through December 2007, instead of the shorter time period of August 2003 through December 2004 used by FPL. The use of the longer time period results in increasing the percentage of normally occurring "minimal use customers" from FPL's suggested 7.0 percent to 7.42 percent.

Based on the foregoing, we adopt FPL's load forecast and its first and second adjustments made to account for the impact of two wholesale contracts and to capture the influence of changes in the appliance stock and new energy efficiency standards. We also adjust FPL's load forecast for minimal use customers to reflect a 7.42 percent historical average and find that it is appropriate to perform the "minimal use customer" adjustment to the 2008 output of FPL's NEL model before performing the "re-anchoring" adjustment. As a result of the forecasts and adjustments, in 2010, FPL's revised net energy for load is 111,299,656,865 kWh. This adjustment to FPL's load forecast increases test year revenues by $36,969,000.

2011 PROPOSED SUBSEQUENT YEAR TEST PERIOD

Legal authority to approve base rate increase

FPL petitioned for a $247 million increase in revenue requirements beginning in 2011 in addition to its petitioned for 2010 revenue increase. The 2011 requested increase was based upon a 2011 subsequent test year. As a preliminary matter, the parties asked us to determine whether we have the legal authority to approve a 2011 subsequent year increase such as that asked for by FPL. The parties next asked us to address whether we should, from a policy perspective and from a factual perspective, approve a 2011 subsequent year adjustment.

Our legal ability to use a subsequent year adjustment has previously been confirmed by the Legislature, by the Florida Supreme Court, and by us. In 1983, the Legislature enacted the following amendment to Chapter 366, F.S.:

> The commission may adopt rules for the determination of rates in full revenue requirement proceedings which rules provide for adjustments of rates based on revenues and costs during the period new rates are to be in effect and for incremental adjustments in rates for subsequent periods.

Section 366.076(2), F.S. In 1987, we adopted Rule 25-6.0425, F.A.C., allowing us in a full revenue requirements proceeding to approve incremental adjustments for periods subsequent to the initial period in which new rates will be in effect.

The Florida Supreme Court, in the case of Floridians United, held that even without the authority of Section 366.076, F.S., we had the authority to approve subsequent year adjustments. The Floridians United case was an appeal from our prior order granting FPL a 1984 rate increase and a subsequent year adjustment for 1985. While the appellants challenged the constitutionality of the statute (Section 366.076, F.S.) that we relied upon as authority to grant the subsequent year adjustment, the Court never reached that issue. Rather, the Supreme Court agreed that we had authority to grant subsequent year adjustments even prior to the legislative enactment of Section 366.076(2), F.S:

> We agree that PSC's authority to grant subsequent year adjustments predated the enactment of chapter 83-222 and it is therefore unnecessary to address the constitutionality of the chapter. [citations omitted]

Id.

We have used subsequent year adjustments in prior proceedings. In addition to the 1985 subsequent year adjustment for FPL considered in Floridians United, we approved a request by Tampa Electric Company for a projected test year of 1993 and a subsequent test year of 1994. In that docket, we stated that we had authority to do so and that the facts supported our approval of the 1994 subsequent year adjustment for TECO. See Order No. PSC-93-0165-FOF-EI, issued February 2, 1993, in Docket No. 920324-EI, In re: Application for a rate increase by Tampa Electric Company.

Based on the foregoing, we determine that we have the legal authority to grant a subsequent year adjustment if the facts warrant such an adjustment. We next address whether FPL has supported its petition for a 2011 subsequent year adjustment.

Policy decision for subsequent year adjustment

OPC asserted that it did not object to the concept of a subsequent test year on legal grounds per se. Rather, OPC disputed the validity of the application of a subsequent test year to this particular docket. Although each of the intervenors objected to our ability to make a subsequent year adjustment, the basis of their objections appeared to be that from a policy and a factual standpoint, FPL did not prove that a 2011 subsequent year adjustment was appropriate. Having acknowledged that we have the legal authority to grant FPL's request for a 2011 subsequent year adjustment, we next examine whether granting FPL's request is appropriate from a policy perspective.

We believe that back-to-back rate increases should be allowed only in extraordinary circumstances. Historically, we have used the test year concept for setting rates. Under this concept, the test year is deemed to be representative of the future, and used to set rates that will allow the utility the opportunity to earn a rate of return within an allowed range. If the test year is truly representative of the future, then the utility should earn a return within the allowed range for at least the first 12 months of new rates.

FPL witness Olivera explained that the Company was requesting a subsequent year increase in base rates effective January 1, 2011, to address the deterioration in earnings that will take place during 2010. According to witness Olivera, the subsequent year adjustment allows us, as well as the Company, and all parties to address in a single proceeding both the 2010 and 2011 needs, avoiding the time and expense of a separate rate proceeding for 2011. FPL witness Barrett testified that:

> Given the significant time and financial resource commitments involved in fully litigated base rate proceedings, the Commission, the Company, and other stakeholders would benefit by minimizing the frequency of these costly proceedings. One mechanism by which the Commission can address this issue is through the use of a Subsequent Year Adjustment for 2011, the year following the Test Year.

According to SFHHA witness Kollen, there is no evidence that there will be actual savings to ratepayers resulting from the avoidance of a separate proceeding sometime in 2010 for rates that will be effective in 2011. If the Company's 2011 test year costs are reduced as the result of the Company's cost cutting efforts compared to its projections for 2011, then the cost of a separate proceeding in 2010 is likely to pale against the effect of such savings in a subsequent proceeding.

We agree with SFHHA that there is no evidence that ratepayers would receive any savings by avoiding a separate rate proceeding sometime in 2010 for rates that would be effective in 2011. FPL witness Barrett admitted that FPL did not perform a cost-benefit analysis to examine whether the costs of a rate case outweighed savings that could result from re-examining changing costs.

The subsequent increase requested in this case is based on a second projected test year of 2011 and is in fact a second full rate case filing. FPL claims that this second case is necessary "to address the deterioration in earnings that will take place during 2010." However, it is important to note here that filing two general rate cases with back-to-back projected test years deprives us and deprives the Company's ratepayers of the benefit of an additional twelve months of actual economic data and operating history of the Company. This additional data could be used to validate whether an additional increase is truly necessary and whether the second test year is really representative of the future.

The Company's ratepayers deserve a full investigation into the cause of FPL's claimed deterioration of its earnings. Two general rate increases that are barely twelve months apart justify the time and expense of a second separate proceeding. Two back-to-back general rate increases are especially of concern when one considers that the need for base rate increases has already been reduced for FPL due to the effect of the cost recovery clauses. Cost recovery clauses provide for approximately 61 percent of FPL's revenue and reduce the risk of under-recovery of a substantial portion of FPL's operating costs. The recovery of costs through the clauses should limit the need and frequency of full rate cases for FPL.

States that make use of a projected test year, like Florida, typically only attempt to look one year into the future. FPL is asking us to look far beyond the horizon, into 2011, and raise consumers' rates not only in 2010 based on a 2010 projected test year, but to raise consumers rates again in 2011 based on speculative and untested projections for a 2011 subsequent projected test year. These test years were developed in 2008. As one reaches farther into the future, predictions and projections of future economic conditions become less certain and more subject to the vagaries of changing variables. This is particularly true given that for 2010, FPL projected results based upon the assumption of a "down economy," and for 2011 projected results based upon a "down economy just beginning to recover."

Because of unpredictable changes in the economy, it is certainly possible that FPL's perceived need for a 2011 base rate increase could be offset by changes in sales growth, billing determinants, additional Stimulus Bill of the American Recovery and Reinvestment Act of 2009 (Stimulus Bill) benefits, and other cost-decreasing measures. At a time when Florida's ratepayers have been hit hard by the downturn in the economy, it makes sense to wait and see if a subsequent rate case is justified. FPL's claim that it will need a rate increase in 2011 simply is too speculative, and is hereby rejected.

Factual support for 2011 subsequent year adjustment

We realize that our decision on the policy of whether a subsequent year adjustment is appropriate incorporates many of the facts from the case. However, we think it important to address in more detail the appropriateness of the 2011 test year and whether the facts in this docket support the use of a 2011 subsequent year adjustment. FPL witness Barrett explained that the Company provided forecasted information for 2009, 2010, and 2011 for use in this proceeding. The Company included 2011 year data in support of its requested Subsequent Year Adjustment. According to witness Barrett, FPL applied the same rigor to its forecast of 2011 as it did for 2009 and 2010, to be confident that the costs proposed were appropriate for setting rates in this proceeding.

FPL witness Barrett stated that final approvals for these forecasts were made in late 2008 and reflected the Company's best assessment of the business environment. Discussing the prevailing business environment at the time the forecasts were being finalized, witness Barrett testified that "All of these factors have combined to plunge Florida into an economic deterioration not seen since the early 1970s. [. . .] Every major assumption used in the forecast reflects the severe economic downturn."

We are concerned with the reliability of the forecasted data used to develop the 2011 test year and subsequent rate increase. FPL has stretched its forecasts far into the future during a period when "every major assumption used in the forecast reflects the effects of the most severe economic downturn since the early 1970's." OPC witness Brown testified that "[t]he farther into the future that a utility attempts to project data, there is a greater amount of uncertainty and the data becomes less reliable." Witness Brown further noted that "This is particularly of concern as our country and the customers in FPL's service territory are facing the current economic crisis. Projections of when and how economic recovery will occur are extremely speculative."

The forecasted 2011 test year was prepared in late 2008, when the economic environment was extremely volatile. The last month of the 2011 test year was at least 36 months away from the last actual historical data point when the forecast was prepared. Even in times of economic stability, projections this far in the future strain the reliability and accuracy of data that is needed to set rates.

SFHHA witness Kollen testifed that the record was insufficient for us to determine what the reasonable revenues and costs would be in 2011, given the present economic uncertainty:

> First, the Commission cannot determine at this time what the reasonable revenues and costs will be in 2011 given the present economic uncertainty. It will be difficult enough to determine the reasonable level of revenues and costs for the 2010 test year, which itself is two years removed from actual experience and is based on a budgeting process covering 2009 and 2010, but which began in mid-2008 prior to the meltdown in the financial markets and the recession. Since 2008, the Company has engaged in extensive cost reductions compared to its 2009 budget, thus rendering the 2009 budget unreliable as the basis for the 2010 test year forecast, and even more so for the 2011 subsequent test year forecast.

In the first four months of 2009, the Company experienced a $38 million budget variance in O&M expenses and a $169 million budget variance in capital projects. Both of these variances were favorable and were explained by FPL witness Barrett. However, variances of this magnitude, in the very beginning of a forecast, when projections should be the most accurate, show how unpredicted events and management's reactions to the actual business conditions can make projections inaccurate. The further those projections go into the future, the less predictable the underlying assumptions become.

<u>Forecast of customers</u>

Above, we addressed FPL's overall projections for 2011 and stated our concern for their accuracy. We now address the appropriateness of FPL's 2011 forecast of customers, kWh, and kW which were sponsored by FPL witnesses Rosemary Morley and Philip Q. Hanser.

FPL used the same methodology for its 2011 forecast by revenue and rate classes, as it did for its 2010 forecast. OPC witness Brown testified that, due to the uncertainty associated with the current economic downturn, economic projections of when an economic recovery will occur are extremely speculative. She also noted that if the economic recovery was either faster or greater than expected under FPL's assumptions, there would be a potential for excess earnings at ratepayers' expense. She concluded by saying that although OPC was willing to accept the uncertainty associated with a 2010 test year, the 2011 test year projections incorporate an unacceptable additional level of uncertainty and should be rejected.

We share OPC witness Brown's concern that economic projections formulated in late 2008 and extending through 2011 incorporate an unacceptable level of uncertainty for the purpose of setting rates. Hearing Exhibit 412 is illustrative of our concern. This exhibit showed the Low, Medium, and High Case scenarios for the University of Florida's population forecast used in FPL's customer growth model. As this exhibit showed, as the forecast horizon extended further into the future, the range between the Low and High Case scenarios became wider. We believe that this wider range is indicative of the University of Florida's acknowledgement that its forecast for population growth is subject to more variability as the forecast horizon extends further into the future. Furthermore, as acknowledged by FPL witness Morley under cross examination, the University of Florida revised its population forecast "with some frequency" during 2008. These revisions, which extended into 2009, added an additional degree of variability to the population projections as the forecast bands shifted either upward or downward. Because the population projection from the University of Florida was the primary driver in FPL's customer model, increased variability in the 2011 population projection led to increased variability in the number of customers in 2011. Because of the way FPL's models were structured, an increase in the variability of the number of customers in 2011 flowed through to total NEL, and ultimately to the number of customers and kWh sales by revenue class.

Because there was no empirical data (such as stabilized customer growth rates) in the record to indicate that the uncertainty associated with the current economic downturn was nearing an end, we are concerned that during the twelve months of 2010, additional economic volatility could cause the number of customers and kWh sales in 2011 to deviate significantly from FPL's projections.

In conclusion, while we recognize that we have the legal authority to grant a subsequent year adjustment when the facts so warrant, we decline to do so in the present case. FPL's 2011 subsequent test year and its forecasts of customers, kWh, and kW by revenue and rate classes for the 2011 projected test year are too speculative and are therefore not appropriate for rate setting purposes. The projection period is too far in the future and was developed in times of great economic instability to have confidence in the integrity of the data. Actual events in 2009 have already shown the potential for significant variance from the projections. In denying FPL's petition for a 2011 subsequent year adjustment, we recognize that if the Company is unable to earn within its allowed range of return, it has the option of filing for a base rate increase including a request for interim rate relief. Accordingly, we find that FPL's projected subsequent test year of 2011 is not appropriate and we deny FPL's request for a subsequent increase in January 2011 based on this record.

GENERATION BASE RATE ADJUSTMENT

For the reasons explained in detail below, we do not approve FPL's request for a Generation Base Rate Adjustment (GBRA) mechanism that would authorize FPL to increase base rates for revenue requirements associated with new generating additions approved under the Power Plant Siting Act at the time they enter commercial service. The existing ratemaking procedure provided by Florida Statutes and our rules provides for a more rigorous and thorough review of the costs and earnings associated with new generating units. Section 366.06(2), F.S., provides that when approved rates charged by a utility do not provide reasonable compensation for electrical service, the utility may request that we hold a public hearing and determine reasonable rates to be charged by the utility. Section 366.071, F.S., provides expedited approval of interim rates until issuance of a final order for a rate change. Rule 25-0243, F.A.C., establishes the minimum filing requirements for utilities in a rate case. These procedures have been sufficient in the past for FPL and other regulated utilities wishing to recover capital expenditures when a new generating facility begins commercial service. We find that the GBRA shall expire as scheduled when new rates are established as delineated in this Order.

GBRA Background

The GBRA was one of several elements of a negotiated settlement agreement between the parties that we approved in FPL's 2005 rate case, Order No. PSC-05-0902-S-EI, issued September 14, 2005, in Docket No. 050045-EI, In re: Petition for rate increase by Florida Power & Light Company (2005 Settlement Order). The GBRA permitted FPL to increase base rates to recover capital costs associated with new generation facilities as they entered commercial service. The stipulation specified the basis for the costs, as well as the return on equity and capital structure to be used in the calculation of the cost factor to be submitted for our approval using the Capacity Clause projection filing for any necessary true-up. Other elements of the settlement agreement prohibited FPL from petitioning for an increase in retail base rates during the term of the agreement, and established a revenue sharing arrangement between FPL's shareholders and customers. The conditions under which we approved the negotiated settlement agreement are far different from the proposal to establish the GBRA in this case.

Differences From the 2005 Stipulation

FPL's current request to permanently establish the GBRA differs markedly from the 2005 negotiated settlement agreement that we approved.[2] Acceptance of the GBRA provision of the settlement agreement was contingent upon several provisions, a result of the "give-and-take" in negotiating the agreement. First, the stipulation specified the term of the agreement as effective for a minimum of four years – January 1, 2006, through December 31, 2009 – and to remain in effect until new base rates and charges become effective by order of the Commission.[3] FPL's current request to continue the GBRA specifies no end date. Second, FPL's base rates could not change during the term of the settlement agreement; FPL's current request to continue the GBRA specifies no restriction on changes to base rates. Third, the negotiated agreement provided a

[2] Id.
[3] Ibid., Attachment A, page 3.

revenue sharing plan between shareholders and customers. FPL's current request to continue the GBRA specifies no such revenue sharing arrangement. To date, FPL has flowed $386,928,000 through the GBRA mechanism for three generating units as a result of the stipulated settlement.[4] If the GBRA is made permanent, the amount that FPL proposes to add to rate base under the GBRA mechanism is $3.2 billion over the next five years.[5]

FPL witness Ousdahl acknowledged that the GBRA is materially different from a rate case, because it is an interim base rate measure. We agree that the GBRA specified in the settlement agreement is an interim measure because it has an ending date, and costs would be rolled into base rates at the next rate case. The GBRA mechanism that FPL has asked us to approve in this docket would have no such limit. It has no ending date, and it is intended to cover the costs of all future power plants that receive need determination approval. As FPL witness Barrett acknowledged, the GBRA mechanism would allow FPL to recover such costs without regard to whether earnings were sufficient to cover the addition of a new plant.

Existing Ratemaking Policy and the Proposed GBRA

Parties are in agreement that rate cases are often costly and administratively burdensome. For example, the expenses associated with FPL's rate case in this docket were estimated at $4 – 5 million during the hearing. Comparatively, the cumulative total rate increase that FPL requested is approximately $1.5 billion. FPL's requested rate increase included new power plants, transmission and distribution projects, administrative costs, operation and maintenance expenses, and other expenses.

The record indicates that FPL built several generating units since 1985 without seeking a rate increase. FPL witness Barrett also acknowledged that if economic conditions or other factors changed, it was possible that FPL's base rates could be sufficient to cover the cost of a new generating unit in whole or in part without the application of a GBRA. Other factors, such as the addition of new customers and increased electricity sales tend to offset the additional costs of new power plants. FPL witness Barrett testified that under certain hypothetical circumstances, with a GBRA mechanism in place, customers' bills could go up as a result of adding new generation, though FPL's earnings would remain unaffected.

According to FPL, we should approve continuation of the GBRA because it is "reasonable, cost-based and sends the appropriate price signals to customers." While the term "cost-based" may accurately describe the GBRA, a rate case proceeding provides more of an opportunity to rigorously review costs and earnings as a whole. Regarding the price signals, we agree that implementation of the GBRA may link reductions in fuel costs to increases in base rates that may occur as a new plant is put in service. However, a traditional base rate proceeding could also be timed (based on the Company's request) to coincide with the in-service date of a new plant, thus achieving the same result. FPL witness Barrett testified that it is possible for the Company to structure the timing of a rate request associated with a new plant so that both the

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[4] The jurisdictional revenue requirements $121,310,000 for Turkey Point 5, $138,519,000 for West County 1, and $127,099,000 for West County 2.
[5] Representing costs of FPL's West County Unit 3, Cape Canaveral, and Riviera Beach projects.

plant's costs and its fuel savings benefits are received by the customer at the same time. FPL witness Pimentel stated that "the reason that we're requesting the GBRA, first and foremost, is as we build generation that's been approved by this Commission in need determinations, we're trying to match the customer savings and fuel efficiency with the actual capital that we are putting into the business." This goal could be achieved within the process of a traditional rate case.

Another of FPL's arguments for the GBRA mechanism was that it has the potential to avoid the need for a rate case. It is not possible for us or interested parties to examine projected costs at the same level of detail during a need determination proceeding as we would be able to do in a traditional rate case proceeding. A need determination examines costs only in comparison to alternative sources of generation. It does not allow for a review of the full scope of costs and earnings, as a rate case does. FPL witness Barrett acknowledged that the GBRA mechanism would be a limited-scope proceeding focused only on the GBRA, and intervenors would not be able to raise other cost issues in such a proceeding. SFHHA witness Kollen also argued against the GBRA because FPL would have the ability to impose a base rate increase for new generation and transmission projects without consideration of other revenues and costs. OPC witness Brown explained that if the GBRA is approved and the economy subsequently recovers, FPL's shareholders may earn greater returns that could be sufficient to cover the cost of new generating units without increasing base rates. According to OPC, having a GBRA mechanism in place would mean FPL would have less incentive to control overall costs. Witness Brown also pointed out that under the GBRA, FPL would essentially be "imposing a surcharge on customers' bills to cover the costs associated with a single component of its overall costs of providing service," and we would not have the ability to evaluate whether FPL's existing base rates were sufficient to cover some or all of the costs.

The time period required for a traditional rate case proceeding differs from that required for need determination proceedings that the GBRA mechanism would utilize. Rate cases generally take at least eight months to complete and include five months devoted to discovery prior to hearing, in accordance with Section 366.06, F.S. Need determination proceedings are required to be completed within 135 days from the date a petition is filed per Section 403.519 (4), F.S. Witness Barrett stated that the GBRA mechanism protects customers "in the event that we're able to bring in a unit less than the costs that were estimated for that unit and approved through the need process, so there would be an automatic true-up for customers." Witness Barrett also acknowledged, however, that a rate case serves as the ultimate true-up, and a rate case is generally beneficial for regulators and customers.

Witness Ousdahl agreed with the statement that "One of the benefits of a base rate proceeding from a consumer's perspective is that a base rate proceeding would examine a utility's entire cost of service to determine whether reductions in rate base may offset capital additions." Witness Ousdahl also agreed that as part of a base rate proceeding we have the opportunity to examine whether a utility's accumulated depreciation or increases in a utility's billing determinants would result in a decrease in its rate base. One criticism that SFHHA witness Kollen had of the GBRA mechanism is that "it provides the Company an almost unfettered ability to automatically impose base rate increases to recover selective increases in certain costs without consideration of increases in revenues and reductions in all other costs."

Witness Kollen was also concerned that the GBRA mechanism that FPL asked us to approve was not clearly defined. Witness Kollen pointed out that "the GBRA mechanism is not even a proposed tariff even though it is self-implementing. There is no proposed tariff to review. There is not even a detailed description of the mechanism and the revenue requirement computations in the testimony of any FPL witness." FPL is currently building several new power plants, West County 3, Riviera Beach, and Cape Canaveral. Witness Deaton acknowledged that between 2010 and 2015, FPL will be adding $3.255 billion in capital costs to rate base for these power plants if we approve the GBRA. This suggests that in the absence of the GBRA, FPL may file a rate case in 2013 for the next new plant.

The record shows that FPL already collects about 61 percent of its total revenues through various "pass-through" mechanisms and cost recovery clauses. We are not convinced that adding another such mechanism, by permanently implementing a GBRA for FPL, would provide advantages over traditional rate case procedures found in Section 366.06, F.S. We find no justification in the record for approving a cost-recovery mechanism for FPL's new generation that is different from what applies to all other investor-owned electric utilities. Approving a GBRA for FPL on a permanent basis would constitute a significant change in our general ratemaking policies. As we said in Order No. PSC-09-0283-FOF-EI: "[a]cceptance of a settlement among parties is not the same as establishing a generic policy." [6] FPL witness Ousdahl stated: "We are asking the Commission to formalize its policy with regard to GBRA." We are not inclined to formalize our policy with regard to GBRA in the manner FPL requested. There is no record evidence, beyond FPL's suggestion, supporting adoption of a GBRA-like procedure for other utilities. We do not want to set such a precedent here.

We deny FPL's request to continue the GBRA mechanism. It is not possible for us to exercise as adequate a level of economic oversight within the context of a GBRA mechanism as we can exercise within the context of a traditional rate case proceeding. Furthermore, a policy change of this magnitude, which would ultimately affect other utilities, deserves a more thorough review through a separate generic proceeding.

JURISDICTIONAL SEPARATION

FPL's witness Ender testified that the Company's 2010 transmission service revenues were allocated as credits to offset retail jurisdictional revenues consistent with our order in FPL's last fully litigated rate case, but witness Ender did note that, historically, we have required utilities to separate, not credit back, any costs and revenues associated with firm wholesale transmission sales that last over one year in duration.

According to OPC's witness Brown, FPL created a revenue credit methodology that charged the retail jurisdiction with all costs of transmission, and provided an offsetting revenue

[6] Order No. PSC-09-0283-FOF-EI, issued April 30, 2009, in Docket No. 080317-EI, In re: Petition for rate increase by Tampa Electric Company, p. 126.

credit for transmission revenues received from non-retail jurisdictional customers. Witness Brown contended that while FPL's approach might be appropriate for non-firm or short-term transmission services, revenue crediting for long term contracts could create a subsidy for long-term firm transmission service customers. To remove the effect of this revenue credit method, witness Brown stated that FPL would need to reduce its requested jurisdictional revenue requirements by $18.5 million in 2010.

In his rebuttal testimony, witness Ender indicated that FPL did not oppose OPC's method of addressing transmission related costs and revenues for long-term firm non-jurisdictional transmission service contracts, but the actual revenue amount that should be separated was approximately $23.0 million. OPC agreed with the adjusted amount.

We agree with OPC's position on this matter. Separating all revenues and costs associated with forecasted long-term firm non-jurisdictional transmission service contracts ensures that jurisdictional customers will not subsidize non-jurisdictional transactions. We also agree that the information concerning the costs and revenues associated with these sales is more accurately presented, based on forecasted transactions for 2010, by FPL.

Based on the above, we find that all costs and revenues associated with long-term firm non-jurisdictional transmission service contracts shall be separated. We make the following jurisdictional adjustments to remove the effects of the revenue crediting method employed by FPL: reduce plant in service by $386,896,000; reduce accumulated depreciation by $144,299,000; reduce plant held for future use by $4,200,000; reduce construction work in progress by $18,623,000; increase working capital by $3,700,000; decrease operating revenues by $33,639,000; decrease O&M expenses by $10,462,000; decrease depreciation and amortization by $10,352,000; decrease taxes other than income by $4,918,000 and increase amortization of regulatory asset by $17,000. We also find that FPL appropriately separated all other costs and revenues between the wholesale and retail jurisdictions.

QUALITY OF SERVICE

FPL provides electric service to about 4.4 million customers. FPL's service territory covers 28,000 square miles, uses 67,000 miles of electrical conductor consisting of 42,000 miles of overhead wires and about 25,000 miles of underground cable, 1.1 million poles, and approximately 800,000 transformers. The distribution business unit is divided into five regions (North, East, West, Broward, and Miami-Dade), which are further divided into seventeen management areas with 35 service centers.

The quality and reliability of the electric service provided by a utility is objectively measured through the use of electric industry reliability indices and the number and types of customer complaints. We have established specific reporting requirements and reliability indices in Rule 25-6.0455, F.A.C., which are used to analyze the quality and reliability of an electric utility's distribution system. The reliability indices track the duration and frequency of power interruptions and are typically examined at a system level. The System Average Interruption Duration Index (SAIDI), the System Average Interruption Frequency Index (SAIFI), and the Customer Average Interruption Duration Index (CAIDI) are the most common indices. In effect, they are measures of unreliability. As the indices increase, reliability becomes worse. All of the indices provide information about average system performance over a specific time period. Accordingly, it is best to examine the current results of a single utility and make a determination as to whether the trend of the current and past results are improving or worsening. However, using averages as the sole basis for decision making can mask the interruption for a specific customer. Therefore, it is important to recognize that an individual customer's outage experience will be averaged within the system indices and that customer complaints relating to the utility's service quality must also be analyzed.

Service Hearings and Complaints

The Commission conducted nine service hearings in FPL's service territory that began on June 19, 2009, and concluded on June 26, 2009. The service hearings took place in Sarasota, Fort Myers, Daytona Beach, Melbourne, West Palm Beach, Fort Lauderdale, Miami, Miami Gardens, and Plantation. A total of 418 customers testified at the service hearings, covering topics that ranged from billing issues, deposit requirements, support of FPL, lack of support for the rate base adjustment, and service quality issues. Service quality issues were reported by 55 customers or approximately 13 percent of the customers at the service hearings.

At the technical hearing, during cross examination on FPL's Service Hearing Report, FPL witness Santos explained that the complaints concerning outages and service reliability are handled by the distribution business unit and that the service reliability issues were addressed by that unit. Our review of the Service Hearing Report concerning service reliability indicates that the momentary power interruptions (MPIs) experienced by many of FPL's customers involved vegetation or lightning strikes. In order to resolve the MPIs that did not involve lightning strikes, FPL reported that the Vegetation Management Department was either scheduled to perform trimming or was in the process of correcting problems that were identified following vegetation surveys concerning the customer complaints. FPL witness Spoor testified that the outages caused by vegetation appeared to be trending upward for the years 2006 through 2008 and that the years 2004 and 2005 experienced natural pruning caused by the hurricanes. As the AG pointed out in its brief, MPIs and outages related to vegetation do appear to be increasing.

Regarding customer complaints, staff witness Hicks testified that 14,700 complaints were logged against FPL for a two year period between July 1, 2007, and June 30, 2009. Of the logged complaints, 12,236 were directly transferred to FPL through our Transfer-Connect program. The most common FPL complaints were billing issues, which accounted for 71 percent of the complaints during the two year period while 29 percent involved quality of service issues. In her rebuttal testimony, FPL witness Santos responded that the data shows on an annual basis only 0.16 percent of FPL customers contacted us with service complaints. According to witness Santos, that demonstrates that FPL has a very low rate of complaints, and compares favorably to the other Florida IOUs.

With respect to the J.D. Power 2009 residential customer satisfaction study for the South Region Large Segment, FPL witness Olivera agreed that the study shows FPL slightly below average. In explaining, witness Olivera stated that the J.D. Power study examines a ". . . whole bunch of dimensions," not just reliability. Witness Olivera also stated the average for the East Region Large Segment is 593, whereas FPL is 632, which is above the Southeast Region Large Segment. We agree with FPL, in principle, that an analysis of adequate electric reliability should not be based on a single dimension. In this case, however, the service reliability complaints plotted in the Review of Florida's Investor Owned Utilities' Service Reliability in 2007 indicated in Figure 4.9 that the reliability related complaints reported to us for FPL have been trending slightly upward since 1999. Service reliability complaints included service interruptions, quality of service, repair, safety, and trees. The observation that customer service reliability complaints reported to us are trending upward lends support to the AG's argument that the service hearings held within the FPL service territory indicated that FPL's service varies in different locations. Therefore, we can not agree that FPL is ". . . operating well beyond the level required to provide reliable electrical service." In our view, the electrical service reliability of FPL's system is more appropriately characterized as adequate.

Reliability Indices

FPL witness Sonnelitter testified that FPL's transmission reliability was in the top 10 percent of the utilities surveyed in a recent bench marking study. FPL's transmission SAIDI indicted that when an outage occurred on the transmission system it lasted for less than one minute or 0.5 minutes, whereas for the Southeast Region of the US, transmission SAIDI lasted for 5.8 minutes.

As mentioned above, Rule 25-6.0455, F.A.C., requires each electric investor owned utility to file an Annual Distribution Reliability Report with us. The report contains a number of mathematical calculations relating to the duration and frequency of outages that occur on a utility's distribution system on an actual and adjusted basis. FPL witnesses Spoor and Reed testified that FPL's three indices (SAIDI, SAIFI, and CAIDI) indicated that FPL was providing better than average numbers for the distribution system.

FPL's distribution system SAIDI is graphically represented in Figure 1 below and shows that for the years 2004 and 2005 an average interruption lasted for 70 minutes and in 2006 an interruption lasted an average of 74 minutes. SAIDI declined in 2007 and sharply declined in 2008 to 67 minutes.

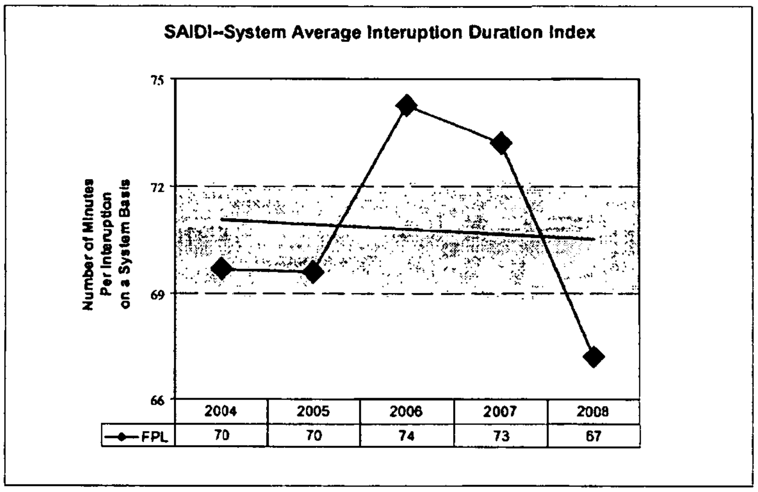

Figure 1. SAIDI

FPL's distribution system analysis also includes the frequency or number of times an interruption occurred on the distribution system. Figure 2 indicates that FPL customers experienced 1.2 outages in 2004, and in 2008 the number of outages declined to 1.07 outages. This metric is used in conjunction with SAIDI.

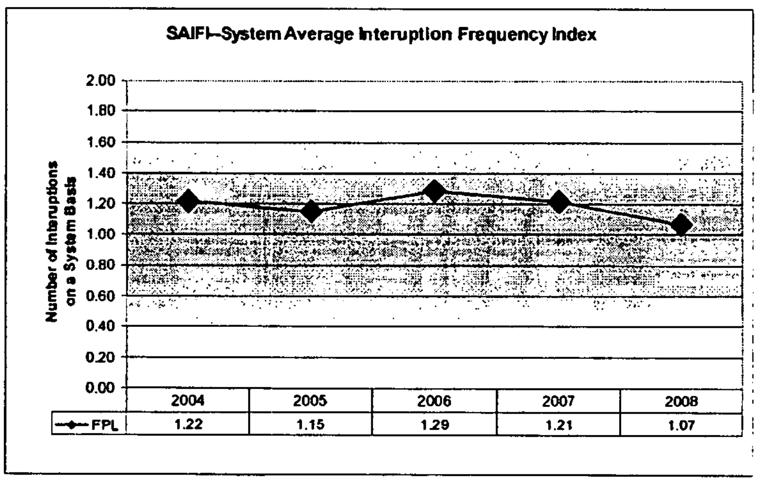

Figure 2. SAIFI

The remaining metric or index is CAIDI, and it represents the length of time, in minutes, that an FPL customer can expect a distribution system outage or interruption to last. Figure 3 indicates that CAIDI had a low of 57 minutes in 2004 and increased to 63 minutes in 2008.

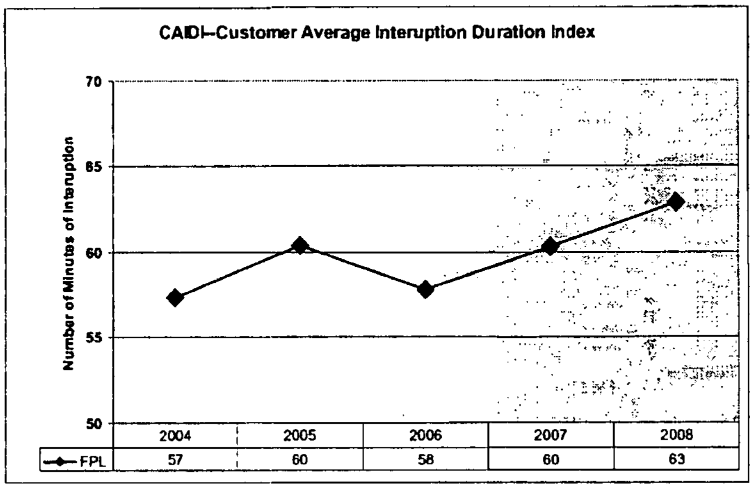

Figure 3. CAIDI

The SAIDI index includes the other indices of SAIFI and CAIDI. SAIDI for FPL's entire distribution system is trending downward. This is a good indication that the length of time a customer experiences an outage is decreasing and in 2008 SAIDI had decreased to 67 minutes.

Based on the above, we find that the quality and reliability of the electric service provided by FPL is adequate. We make this determination based on an analysis of customer complaints, an analysis of the distribution system metrics that include SAIDI, SAIFI, CAIDI, and the analysis of the metrics for the transmission system – System Average Restoration Index (SARI) and SAIDI. We note, however, that outages and momentary power interruptions caused by vegetation do appear to be increasing, and we expect our staff to continue to monitor that trend.

DEPRECIATION STUDY

Capital recovery schedules

Under the capital recovery schedule mechanism, the investment and associated reserve of installations facing near-term retirement are separated out as sub-accounts, and the unrecovered net amounts are amortized over the period of their remaining service to the public. The mechanism is in our depreciation rule, and is the standard practice of this Commission.[7]

FPL's proposed capital recovery schedules address the unrecovered costs associated with the near-term (2010-2013) retirement of the Cape Canaveral and Riviera steam plants, the St. Lucie and Turkey Point nuclear uprate projects, and the meters made obsolete by the new AMI

[7] 2005 Settlement Order; Order No. PSC-99-0073-FOF-EI, issued January 8, 2009, in Docket No. 971660-EI, In re: 1997 depreciation study by Florida Power & Light Company; and Order No. PSC-94-1199-FOF-EI, issued September 30, 1994, in Docket No. 931231-EI, In re: Request for change in Depreciation Rates by Florida Power and Light Company.

technology. FPL asserted that the use of capital recovery schedules ensures that recovery of retired equipment occurs close to, or before, their retirement. The proposed recovery period of four years coincides with the period between depreciation studies, and closely matches the remaining period the associated assets will be providing service.

OPC did not dispute the need for capital recovery schedules, but did dispute how the costs should be recovered. OPC witness Pous proposed that: (1) the unrecovered costs associated with the retirement of the Cape Canaveral and the Riviera power plants be offset by a portion of FPL's identified reserve surplus for the steam production investment; (2) the unrecovered costs associated with the nuclear uprates be offset by a portion of FPL's identified reserve surplus for the nuclear production investment; and (3) the unrecovered costs associated with obsolete meters retiring due to AMI technology be offset by a portion of FPL's identified reserve surplus existing in the distribution function. This would eliminate the capital recovery schedule expense and reduce the reserve surplus.

If recovery is not afforded for these identified net unrecovered near-term retirements during their remaining period of service, a negative reserve component will result relating to plant no longer providing service. We agree with OPC that a portion of the reserve surplus can and should be used for the immediate recovery of these costs. This action will reduce the test year depreciation expense as well as the reserve surplus.

SFHHA proposed that: (1) FPL's identified unrecovered costs associated with the near-term planned retiring Cape Canaveral and Riviera facilities should be added to the capital costs of the new repowered generating units; (2) the remaining net book value of the retired nuclear assets should be added to the uprated units for continued depreciation over the lives of those units; and (3) the remaining net book value, including removal costs of the retired meter investment, should be depreciated at the same rate as approved for the meter investment. SFHHA witness Kollen contended that:

- FPL's revenue requirement already includes the cost of advanced meters, so there is no need to accelerate the depreciation of old non-AMI investment;
- FPL's AMI deployment is the cause for the retirements of the existing non-AMI meters; therefore, it is reasonable to reclassify the existing non-AMI meters as a regulatory asset;
- FPL's proposal would require ratepayers to pay for existing non-AMI meter investment and the new AMI meter investment at the same time; and
- Since the existing non-AMI meters will be replaced at one time over a four-year period, FPL's four-year amortization proposal would "double-up" recovery for meters during that period.

FPL witness Davis asserted that he agreed that nuclear uprate costs relating to plant additions should increase the plant investment and be depreciated over the life of the related group of assets. However, witness Davis disagreed that the net book value of the identified nuclear uprate retirements and associated removal costs should be deferred and recovered over the remaining licensed life of each nuclear unit. Regarding the replacement of obsolete meters with new AMI meters, witness Davis disagreed that FPL is "doubling up," as SFHAA suggested.

The purpose of depreciation is to match expenses to the period the assets associated with those expenses are providing service to the public. Under group depreciation, it is recognized that some assets within the group will experience a life shorter than the average, while others will experience a life longer than the average. However, if there is a group of assets planned for near-term retirement that now have a significantly shorter life than the overall group life, the associated investments should be withdrawn from the group and recovered over their expected life as provided by our rules. This is the principle of matching expenses to consumption.

If assets retire earlier than the average life of the group without recovery being afforded, a negative reserve component is created. The negative reserve component translates into a positive rate base element. From the Company's standpoint, it will continue to earn a return on this non-existent plant over the life of the group. From the ratepayers' standpoint, they will continue paying for plant no longer providing service until the situation is corrected. Negative reserve amounts are non-life related net investments[8] that we have historically corrected as fast as practicable to remedy the existing intergenerational inequity.[9]

SFHHA's proposal would create a negative reserve component, the exact situation the capital recovery schedule mechanism avoids. Moreover, deferring recovery is simply mortgaging the future. Ratepayers should pay their fair share of costs associated with plant from which they are receiving service. Unrecovered amounts associated with non-existent plant do not benefit ratepayers. Contrary to SFHHA's assertions, recovery of the identified unrecovered costs associated with planned near-term retirements over a period that matches the remaining period the related assets will provide service ensures intergenerational equity. We disagree that such recovery is "accelerated" as FPL, FIPUG, and SFHHA contended. Recovery that matches the service life is not accelerated; it reflects the matching principle. Finally, offsetting FPL's identified unrecovered costs provides immediate recovery and reduces test year depreciation expense, thus alleviating SFHHA's concerns.

Based on the foregoing, we hereby approve the capital recovery schedules contained in Table 1, on the following page. A portion of FPL's existing reserve surplus shall be used to offset the recovery schedule expenses, as discussed in further detail below.

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[8] Non-life related net investments refer to unrecovered costs associated with plant that is no longer providing service to the public. Because the related plant has retired, there is no life over which to recover the costs. Thus, they are non-life related costs.

[9] Order No. PSC-09-0229-PAA-GU, issued April 13, 2009, in Docket No. 080548-GU, In Re: 2008 depreciation study by Florida Public Utilities Company, p. 3; Order No. PSC-03-0260-PAA-GU, issued February 24, 2003, in Docket No. 010906-GU, In re: Request for approval of depreciation study for five-year period 1996 through 2000 by Sebring Gas System, Inc., p. 3; Order No. PSC-02-1492-PAA-GU, issued October 31, 2002, in Docket No. 010383-GU, In re: Application for approval of new depreciation rates by Tampa Electric Company d/b/a Peoples Gas System, p. 3; Order No. PSC-01-2270-PAA-EI, issued November 19, 2001, in Docket No. 010669-EI, In re: Request for approval of implementation date of January 1, 2002, for new depreciation rates for Marianna Electric Division by Florida Public Utilities Company, p. 2.

Table 1

Steam Plant Retirements	Estimated Investment 12/31/2009	Estimated Reserve 12/31/2009	Estimated Cost of Removal	Total Unrecovered costs
Cape Canaveral Common				
311 Structures & Improvements	14,150,126	12,611,980		1,538,146
312 Boiler Plant Equipment	1,849,558	674,585		1,174,973
314 Turbogenerator Units	1,022,283	537,299		484,984
315 Accessory Euqipment	727,205	400,288		326,917
316 Misc. Equipment	649,164	635,515		13,649
Total Cape Canaveral Common	18,398,336	14,859,667		3,538,669
Cape Canaveral Unit 1				
311 Structures & Improvements	1,699,261	1,185,805		513,456
312 Boiler Plant Equipment	58,317,673	49,045,408		9,272,265
314 Turbogenerator Units	29,691,699	17,501,297		12,190,402
315 Accessory Euqipment	4,575,178	3,411,278		1,163,900
316 Misc. Equipment	454,247	446,053		8,194
Total Cape Canaveral Unit 1	94,738,058	71,589,841		23,148,217
Cape Canaveral Unit 2				
311 Structures & Improvements	1,460,458	1,476,474		(16,016)
312 Boiler Plant Equipment	49,029,068	45,864,642		3,164,426
314 Turbogenerator Units	18,405,448	12,974,004		5,431,444
315 Accessory Euqipment	4,980,181	4,984,124		(3,943)
316 Misc. Equipment	516,363	476,595		39,768
Total Cape Canaveral Unit 2	74,391,518	65,775,839		8,615,679
Riviera Common				
311 Structures & Improvements	9,194,438	93,788,335		(84,593,897)
312 Boiler Plant Equipment	651,151	580,853		70,298
314 Turbogenerator Units	1,221,674	1,115,841		105,833
315 Accessory Euqipment	2,048,442	2,056,365		(7,923)
316 Misc. Equipment	838,293	765,531		72,762
Total Riviera Common	13,953,998	13,897,425		56,573
Riviera Common Unit 3				
311 Structures & Improvements	323,577	169,948		153,629
312 Boiler Plant Equipment	26,644,720	24,867,091		1,777,629
314 Turbogenerator Units	20,348,570	16,753,158		3,595,412
315 Accessory Euqipment	2,480,171	2,404,136		76,035
316 Misc. Equipment	117,897	57,070		60,827
Total Riviera Common Unit 3	49,914,935	44,251,403		5,663,532
Riviera Common Unit 4				
311 Structures & Improvements	107,740	105,392		2,348
312 Boiler Plant Equipment	20,735,379	18,833,063		1,902,316
314 Turbogenerator Units	15,546,279	14,814,063		732,216
315 Accessory Euqipment	3,401,126	2,156,145		1,244,981
316 Misc. Equipment	47,438	45,433		2,005
Total Riviera Common Unit 4	39,837,962	35,954,479		3,883,483
Total Steam Plant Retirements	291,234,807	246,328,654		44,906,153

Table 1

	Estimated Investment 12/31/2009	Estimated Reserrve 12/31/2009	Estimated Cost of Removal	Total Unrecovered costs
Nuclear Uprates				
St. Lucie Unit 1				
322 Reactor Plant Equipment	3,089,857	1,285,383	2,171,874	3,976,348
323 Turbogenerator Units	46,415,739	23,026,980	11,780,444	35,169,203
324 Accessory Euqipment	108,098	107,964	1,675,065	1,675,199
Total St. Lucie Unit 1	49,613,694	24,420,327	15,627,383	40,820,750
St. Lucie Unit 2				
322 Reactor Plant Equipment	8,170,947	5,445,563	788,236	3,513,620
323 Turbogenerator Units	68,116,907	47,503,584	12,173,427	32,786,750
324 Accessory Euqipment	444,059	280,915	984,302	1,147,446
Total St. Lucie Unit 2	76,731,913	53,230,062	13,945,965	37,447,816
Turkey Point Common				
322 Reactor Plant Equipment	254,355	26,072		228,283
323 Turbogenerator Units	2,065,043	144,410		1,920,633
Total Turkey Point Common	2,319,398	170,482		2,148,916
Turkey Point Unit 3				
321 Structures & Improvements	541,965	440,388	289,308	390,885
322 Reactor Plant Equipment	13,326,530	12,658,412	15,309,927	15,978,045
323 Turbogenerator Units	37,480,833	22,160,888	12,054,706	27,374,651
324 Accessory Euqipment	371,220	366,648	183,116	187,688
Total Turkey Point Unit 3	51,720,548	35,626,336	27,837,057	43,931,269
Turkey Point Unit 4				
321 Structures & Improvements	192,250	192,250	290,492	290,492
322 Reactor Plant Equipment	13,393,985	13,120,597	15,326,786	15,600,174
323 Turbogenerator Units	40,012,223	24,247,736	12,047,391	27,811,878
324 Accessory Euqipment	314,044	314,044	183,694	183,694
Total Turkey Point Unit 4	53,912,502	37,874,627	27,848,363	43,886,238
Total Nuclear Uprates	234,298,055	151,321,834	85,258,768	168,234,989
Meters				
370 Obsolete by AMI	249,077,327	171,613,059	23,617,590	101,081,858
Total Capital Recovery Schedules	774,610,189	569,263,547	108,876,358	314,223,000

Remaining life calculation

For the reasons explained below, we are of the opinion that FPL's calculation of remaining life[10] leads to questionable results. Accordingly, we approve a remaining life calculation based on using the average age of the given account with the selected survivor curve.[11] The remaining lives we approve below are based on this calculation.

OPC disputed FPL's use of a truncated Iowa curve[12] in its life analysis for the production plant accounts. This argument relates to the way in which FPL accounted for interim retirements in its life determinations. Since this is more an issue with an input to the development of remaining life, rather than a calculation issue, we address OPC's arguments in the following section.

As part of its remaining life calculation, FPL allocated the actual book reserve for a given account to the individual surviving balances based on the theoretical or calculated reserve. OPC witness Pous took issue with two aspects of this allocation process. First, the process limited the allocated book reserve to the surviving balance of an individual vintage so that the reserve for the vintage did not exceed the total vintage original cost less net salvage.[13] Second, the impact of net salvage parameters was recognized in the remaining life calculation rather than after the calculation. Witness Pous used an industry standard remaining life calculation, which is the same one that Progress Energy Florida, Inc. (PEF) used in Docket No. 090079-EI.

Regarding his criticisms, witness Pous demonstrated that FPL's remaining life calculation ignored the fact that vintages to which no reserve was allocated were still in service and still accruing depreciation. Moreover, witness Pous explained that in group depreciation,[14] some items of plant are assumed to retire before the average service life while others will retire after the average service life. On average, however, depreciation expenses over the life of the group will equal the total investment adjusted for net salvage. Witness Pous demonstrated that if the book reserve is allocated to all vintages as it should be, different vintage remaining lives result.

FPL explained that it determined the remaining life annual depreciation expense for each vintage by dividing the future book expenses (original cost less book reserve) by the average remaining life of the vintage. The average remaining life for each vintage was a directly

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[10] The remaining life is the period of years remaining, on average, that the group of assets being studied is expected to provide service to the public.

[11] A survivor curve is a graphical picture of the amount of property (in dollars), that exists at each age (in years), throughout the life of a property group.

[12] Iowa curves, published by Iowa State College in 1935, were developed by analyzing the ages at which industrial property had retired. An Iowa curve, when used in conjunction with other inputs, provides the remaining life. A truncated Iowa curve means that no vintage will survive past the estimated date of final retirement.

[13] Net salvage is gross salvage less cost of removal. Gross salvage is the amount received from trade-in or sale of the asset. Cost of removal relates to the costs incurred for the removal and disposal of the retired asset. Net salvage can be either positive where gross salvage exceeds cost of removal, or negative in cases where cost of removal is greater than gross salvage.

[14] Group depreciation assumes that some items of plant will retire before the average service life while others will retire after the average service life.

weighted average derived from the estimated future survivor curve. FPL witness Clarke testified that the remaining life calculated for each vintage took into account that a portion of each vintage will retire before the average service life and a portion will retire after the average service life, consistent with group depreciation concepts. Moreover, by limiting depreciation expenses only to vintages that are not fully accrued, expenses were calculated only for those vintages that had future costs remaining to recover. Witness Clarke contended that this resulted in a composite annual depreciation rate that is appropriate for the plant balances going forward and resulted in the appropriate amount of needed depreciation expenses.

We do not agree with FPL that its remaining life calculation is consistent with FPL's actual practice. FPL does not maintain its plant account reserves by vintage; they are maintained on a total account basis. Also, depreciation rates are not applied to individual vintages; the rates are applied to the total account balance. Allocating the book reserve to individual vintages based on a theoretical reserve calculation is not necessarily a concern. However, in its allocation, FPL determined that the reserve for any given vintage could not exceed the survivors for that vintage less net salvage. For example, in reviewing the calculation presented for Account 396.1, Power Operated Equipment, no reserve was allocated to the 1986-2000 vintages because the allocation of the reserve indicated that these vintages were fully accrued. That is because the most allocated to any given vintage was the surviving investment for that vintage less net salvage. These vintages represent more than 36 percent of the plant account investment. We believe this is a significant amount of investment that has no remaining life. Looking at Account 396.8, Other Power Operated Equipment, FPL uses an L0.5 Iowa curve and 9-year life combination. The average age of the account is 7.5 years. Using the method endorsed by OPC, the remaining life of the account is 5.2 years, compared to the Company's calculation of zero. While this account has an existing reserve surplus, that should not deter from the fact that it does indeed have a remaining life using FPL's proposed curve and life combination.

FPL did not dispute that net salvage impacts its calculation of remaining life. Net salvage impacts the remaining life depreciation rate, not the average remaining life itself.[15] Unfortunately, because FPL's calculation assumes that no vintage can have more reserve allocated than the surviving investment less net salvage, as net salvage varies, so does the remaining life. For all the foregoing reasons, FPL's remaining life calculation leads to questionable results. Accordingly, the remaining lives we address below are calculated by applying the average age of the account to the selected survivor curve. This is similar to OPC's calculation of remaining life and PEF's calculation in its depreciation study in Docket No. 090079-EI. The remaining lives we approve below use this calculation.

<u>Depreciation parameters for production plant</u>

FPL proposed depreciation rates for its plant investment through December 31, 2009. In addition, FPL proposed depreciation rates for production plants projected to become operational after the test year. The depreciation rates for "Future Units" will be implemented at the time of commercial operation.

[15] Remaining Life Rate = (100-Net Salvage-Reserve)/Average Remaining Life. Rule 25-6.0436 (1)(e), F.A.C.

The remaining life rate is designed to recover the remaining unrecovered balance (investment less net salvage less reserve) over the remaining life of the associated investment. The formula for the remaining life rate is the plant investment (represented as 100 percent) minus net salvage percent minus reserve percent divided by the average remaining life in years. The reserve represents the portion of the investment accumulated through depreciation expense to date unless restated to another level. Rule 25-6.0436, F.A.C.

FPL used the life span technique in studying its production plants. This technique requires that a date of final retirement be estimated for each production unit. The technique also requires estimation of the level of interim retirements that will occur before the final retirement of the generating unit.[16] The Company used an interim retirement survivor curve[17] to account for expected interim retirements. The curve was developed by performing a statistical analysis that analyzed historical retirements and incorporated judgment and industry information. The economic retirement date of a facility affected each year of installation for the facility by truncating the interim survivor curve for each installation year at the year of expected retirement. The life span[18] for each account was based on the make-up of the property within the given account, experience in the industry, current forecasted life spans, the Company's resource plan, and information from Company personnel. FPL noted that the estimated retirement dates were established for depreciation purposes and did not commit FPL to actually retiring any production units on those dates.

The parties disagreed with the life spans FPL assumed in the depreciation study. The intervenors asserted that FPL's proposed life spans were too short. OPC also disagreed with FPL's level of interim retirements and interim net salvage.

Net salvage is the amount received from gross salvage less cost of removal. Gross salvage is the amount received from sale, reuse, or sometimes the reimbursement from retired property. Cost of removal relates to costs incurred in the removal and disposing of retired plant. Net salvage is positive when gross salvage exceeds cost of removal and negative when cost of removal is greater than gross salvage. Net salvage associated with production plant is associated with the interim retirements expected to retire prior to the retirement date of the generating facility.

1. Life Spans

FPL proposed a 40-year life span for its Scherer and SJRPP coal-fired plants. For the remainder of FPL's steam-fired facilities, FPL proposed a retirement date of mid-2020, resulting in the two newer stations, Martin and Manatee, having life spans ranging from 39 to 44 years, and low 50-year to mid 60-year life spans for the remaining stations. For its combined cycle units, FPL proposed a life span of 25 years.

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[16] As an example, interim retirements for a building would consist of assets such as plumbing, heating, doors, windows, and roofs.

[17] A survivor curve graphically depicts the amount of property (in dollars) existing at each age (in years) throughout the life of a group of property.

[18] A life span is the time period when a unit goes into commercial operation and the estimated date of retirement.

OPC witness Pous proposed a 60-year life span for FPL's Scherer and SJRPP coal-fired generating stations. For FPL's Manatee and Martin plants, OPC witness Pous proposed a 50-year life span. The witness did not propose an adjustment to FPL's assumed 25-year life span for combined cycle units even though he asserted that 25 years was artificially short. The witness proposed that FPL be directed to perform a detailed analysis demonstrating why its combined cycle facilities cannot be expected to operate for 35 years or longer, and present the study in its next depreciation study filing. However, the witness suggested that a life span of 30 or 35 years would represent an initial step in bringing FPL's life spans more in line with reasonable expectations.

FIPUG witness Pollock proposed a life span of 55 years for FPL's coal units. For combined cycle units, FIPUG witness Pollock proposed a life span of at least 35 years. FIPUG based its proposed life spans on life spans determined in other regulatory proceedings throughout the country, life spans used by other utilities, and the actual life spans of some of FPL's units.

SFHHA witness Kollen did not address the life span of FPL's coal units, but proposed a life span of 40 years for FPL's combined cycle plants. SFHHA reasoned that if the Putnam combined cycle plant could experience a life span of 42 to 43 years, there was no reason to assume a shorter 25-year life span for other combined cycle units. As additional support for its proposal, SFHHA referred to the experience of other utilities that use a 40-year life span for combined cycle units. Finally, SFHHA asserted that FPL had not demonstrated that it would conclusively operate these units for only 25 years.

In support of its position, OPC asserted that FPL had demonstrated through actual operation that its oil- and gas-fired generating facilities can operate for more than 60 years. OPC witness Pous and FIPUG witness Pollock noted that other utilities and regulatory commissions have recognized 50 to 60 year or longer life spans for steam generating facilities. Moreover, OPC witness Pous referenced the Energy Information Administration of the Department of Energy's database that contains data on generating units demonstrating longer life spans than FPL proposed. Finally, the witness stated that FPL had not provided any economic analysis that demonstrated that its facilities could not operate for longer periods than it had proposed.

FPL contended that the intervenors' reliance on industry statistics from other electric utilities in making their proposals did not consider any of the unique circumstances related to the operations, design life, cycling, or maintenance practices of its production plants. While this may be true, we believe that FPL's actual operations are compelling.

For FPL's coal plants, Scherer and SJRPP, we believe a 50-year life span is appropriate to use in this proceeding. This life span reflects a compromise position between the life spans proposed by FPL and the longer life spans proposed by OPC and FIPUG, and recognizes uncertainties regarding environmental and climate change legislation. For the Manatee and Martin steam plants, we believe that OPC's proposed 50-year life span is reasonable. For the Port Everglades plant, we believe a 60-year life span is appropriate. We also believe that FPL's life span of 59 years for the Sanford plant, 66 years for the Cutler plant, and 53 years for the Turkey Point plant are reasonable.

When combined cycle plants are operating for more than 25 years, this indicates that a 25-year life span is no longer appropriate for depreciation purposes. While FIPUG and SFHHA recommend life spans of 35 or 40 years for combined cycle plants, OPC suggested that 30 to 35 years would be a step in the right direction. Accordingly, we will use a minimum 30-year life span at this time. For those units where FPL has assumed life spans longer than 30 years, no party disagreed. In FPL's next depreciation study, the Company shall provide specific information supporting a shorter life span, if it believes that to be appropriate.

No party disputed FPL's proposed life spans of 60 years for its nuclear units, except OPC believed that the life spans should match the actual license termination date of each unit. We agree. Also, no party disputed FPL's proposed life spans for its combustion turbines. Accordingly, we believe that they are appropriate.

2. Interim Retirements

OPC witness Pous agreed that interim retirements should be included in the calculation of production plant lives, but disagreed with FPL's approach in estimating interim retirements. OPC proposed constant interim retirement rates based on a method sponsored by the California Public Utilities Commission[19] and recognized by the National Association of Regulatory Utility Commissioners (NARUC).[20] The witness explained that he developed interim retirement ratios based on actual FPL historical retirements for each production account.

On the other hand, FPL contended that a constant interim retirement rate approach did not accurately estimate expected interim activity because the approach assumes a constant level of retirements throughout the group of investment's life rather than increased retirements as the property ages. Moreover, FPL asserted that OPC's interim retirement rates were only based on a single observed data point, rather than multiple data points as OPC claimed. FPL claimed that OPC's constant retirement rate calculation was mathematically incorrect and ignored later data points that have experienced higher levels of retirements. Finally, FPL contended that a constant retirement rate assumed that future interim retirement activity will be the same as past retirement activity, which is unlikely. FPL noted that things such as cap-and-trade legislation could require large investments in new technologies and lead to associated retirements to meet future regulatory requirements.

We have previously found that a generating station, or a generating unit, can be looked at as a box containing an assortment of various types of assets which can be expected to experience varied lives.[21] Prior to this current depreciation study, FPL utilized its mechanized property record system to provide in-depth stratified information for the assets in an account at a specific

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[19] Determination of Straight-Line Remaining Life Depreciation Accruals Standard Practice U-4.
[20] Public Utility Depreciation Practices.
[21] Order No. PSC-99-0073-FOF-EI, issued January 8, 1999, in Docket No. 971660-EI, In re: 1997 depreciation study by Florida Power & Light Company, p. 4.

unit.[22] The life of the account was then arrived at by compositing expectations of the various strata.

In the current study, FPL did not use a stratified approach in determining production plant lives, but rather used a curve-life combination to depict interim retirements. In our opinion, such an approach leads to much more subjectivity than the stratification approach. Also, FPL's method of estimating interim retirements in its current depreciation study is not simpler than its previously used approach, especially given that the stratified information is contained in FPL's mechanized property record system. However, with any stratification, we recognize that the degree of disaggregation should be tempered by the associated costs.

We note that both FPL's method and OPC's method of determining interim retirements are industry acceptable practices. We agree with FPL's criticism that OPC's use of a constant retirement rate assumes that retirements in the future will mirror those of the past. However, it also appears that FPL based its selected life and curve combinations on a statistical analysis of historical data. The evidence does not indicate how, if at all, future expectations were considered in FPL's curve selections.

Based on the record evidence presented, we calculated a constant retirement rate based on the data provided in FPL's original observed data for each account. The interim retirement rates we use in this proceeding are contained in Table 2, on the following page.

[22] Stratification is the determination that a given account at a specific generating unit contains a certain amount of investment in such things as pumps, piping, rotors, or structures, with each strata expected to have a certain service life.

Table 2: Commission Approved Interim Retirement Rates	
Account	Interim Retirement Rate
Steam Production	
311 – Structures & Improvements	0.0032
312 – Boiler Plant Equipment	0.0094
314 – Turbogenerator Units	0.0120
315 – Accessory Electric Equipment	0.0052
316 – Misc. Power Plant Equipment	0.0071
Nuclear Production	
321 – Structures & Improvements	0.0028
322 – Reactor Plant Equipment	0.0056
323 – Turbogenerator Units	0.0138
324 – Accessory Electric Equipment	0.0012
325 – Misc. Power Plant Equipment	0.0032
Other Production	
341 – Structures & Improvements	0.0023
342 – Fuel Holders, Producers & Accessories	0.0095
343* - Prime Movers	0.0057
344 – Turbogenerator Units	0.0016
345 – Accessory Electric Equipment	0.0013
346 – Misc. Power Plant Equipment	0.0026

* An interim retirement rate of 0.1565 is recommended for capitalized spare parts.

We applied the interim retirement rate to the overall life span of the generating unit to determine an average service life and average remaining life. Our approved average remaining lives are contained in Table 3, below.

3. Interim Net Salvage

OPC witness Pous claimed that FPL's proposed interim net salvage parameters were excessively negative. OPC witness Pous contended that FPL failed to determine whether any activity in any particular year of its analysis was representative of the remaining investment. The witness proposed adjustments for two steam production accounts, two nuclear accounts, and five other production accounts.

In contrast to OPC's proposed interim net salvage proposals, FPL asserted that interim net salvage was developed for each account using a combination of historical data and informed judgment. The Company averred that, because interim net salvage did not pertain to all of the property, it adjusted the net salvage percent based on the percentage of plant that will be retired as interim retirements.

3a. Account-Specific Net Salvage Analysis

3a1. Steam Production

Account 311 – Structures and Improvements

FPL's currently approved interim net salvage for this account is negative 9 percent. FPL proposed net salvage of negative 15 percent, adjusted to negative 5 percent for interim retirements. Witness Clarke asserted that the historical data had averaged negative 15 percent with recent cost of removal increasing.

OPC proposed interim net salvage of negative 5 percent, reduced to zero for interim retirements. Witness Pous contended that FPL ignored recent activity indicating about negative 10 percent net salvage to a positive net salvage. Additionally, he noted that a disproportionate share of the historical retirements in this account have been piping, and replacement of a retaining wall and a cooling pond underdrain system, that may not be indicative of the future. Because piping comprised only 16 percent of the account's investment, the OPC witness asserted that it was given too much weight in FPL's analysis.

Based on the record evidence, we believe a negative 10 percent net salvage is reasonable. Adjusted for interim retirements, we approve the interim net salvage values shown in Table 3, below.

Account 312 – Boiler Plant Equipment

The currently approved interim net salvage for this account is negative 6 percent. FPL asserted that cost of removal had increased over the past few years indicating the need to increase the negative net salvage. Historical salvage data for the 1986-2007 period averaged negative 27 percent, with the 2005-2007 band averaging negative 15 percent. The Company proposed a net salvage of negative 15 percent, adjusted to negative 11 percent for interim retirements. Based on the record evidence, we believe FPL's net salvage proposal is reasonable. Adjusted for interim retirements, we approve the interim net salvage values shown in Table 3 below.

Account 314 – Turbogenerator Units

FPL's currently approved interim net salvage for this account is negative 6 percent. FPL proposed an interim net salvage of zero, noting that salvage data had been erratic.

OPC proposed positive 10 percent net salvage, adjusted to 1.67 percent for interim retirements. OPC contended that FPL's approach to this account was inconsistent with its approach in other accounts because it did not recognize that this account has historically averaged 8 percent positive net salvage, or that the five-year band of data reflected positive 9 percent.

Salvage activity has historically averaged positive 8 percent. The most recent two-year band averaged negative 11 percent. We agree with FPL that the data is erratic. Net salvage has ranged from negative 264 percent to positive 218 percent. Given that such wide variances do not indicate a consistent pattern, we approve the interim net salvage values shown in Table 3.

Account 315 – Accessory Electric Equipment

The currently approved interim net salvage for this account is negative 6 percent. FPL proposed increasing the negative net salvage to negative 20 percent to recognize increased costs of removal. The five-year band of salvage data averaged negative 28 percent with a number of years over 30 percent. Adjusted for interim retirements, FPL proposed negative 12 percent net salvage. OPC did not address FPL's proposal.

Net salvage has historically averaged negative 19 percent, with the most recent three-year and four-year bands average negative 28 percent. Based on the record evidence, we believe the Company's proposed net salvage value is reasonable. Adjusted for interim retirements, we approve the interim net salvage values shown in Table 3.

Account 316 – Miscellaneous Equipment

The currently approved interim net salvage for this account is zero percent. FPL noted that while the net salvage amounts were not large, cost of removal tended to be greater than realized gross salvage. Accordingly, FPL proposed negative 5 percent net salvage, adjusted to negative 4 percent for interim retirements. OPC did not address FPL's net salvage proposal for this account.

Historically, net salvage for this account has averaged negative 5 percent with the most recent five years average negative 8 percent. This account has not experienced sufficient retirements on which to rely. For this reason, we approve the interim net salvage values shown in Table 3.

3a2. Nuclear Production

Account 321 – Structures and Improvements

The currently approved interim net salvage for this account is negative 1 percent. Historically, net salvage averaged positive 8 percent, with some years being positive and some years being negative. FPL proposed a zero net salvage based on the erratic behavior of the data. OPC did not address FPL's proposal. Based on the account activity, we approve the Company's proposed net salvage.

Account 322 – Reactor Plant Equipment

The currently approved interim net salvage for this account is negative 2 percent. FPL proposed net salvage of negative 5 percent, adjusted to negative 4 percent for interim retirements.

OPC proposed retaining the current negative 2 percent interim net salvage. OPC explained that FPL recognized that the currently approved interim net salvage appeared justified, absent recent years in which there were some large retirements that distorted the activity. Nonetheless, the Company proposed an increase in the interim net salvage until more data was available. OPC contended that FPL's reasoning for its proposed net salvage was inconsistent with its approach in other accounts that also indicated positive net salvage, where FPL selected zero until a pattern was established.

Historically, net salvage has averaged negative 11 percent with recent years being more negative, in part due to the retirements associated with the uprate project. Discounting those years, net salvage has averaged slightly negative. Based on the record evidence, we are hesitant to approve a higher negative net salvage. Accordingly, we approve the currently approved net salvage of negative 2 percent.

Account 323 – Turbogenerator Units

The currently approved interim net salvage is negative 4 percent. FPL proposed a zero percent net salvage. The Company explained that the historical data showed positive net salvage in some years and negative net salvage in other years. Large retirements in recent years realized both high gross salvage and high removal costs. Until it is determined whether this type of activity will continue, FPL proposed zero percent net salvage. Based on the data for this account, we approve zero percent net salvage.

Account 324 – Accessory Electric Equipment

The currently approved interim net salvage for this account is negative 2 percent. FPL proposed increasing net salvage to negative 20 percent, adjusted to negative 18 percent for interim retirements. The Company stated that retirements had been fairly consistent with cost of removal always exceeding gross salvage. Historical data averaged negative 19 percent with the past five years of net salvage data averaging negative 41 percent.

OPC proposed negative 2 percent negative net salvage, adjusted to negative 0.06 percent for interim retirements. OPC asserted that the most recent five-year band of data represented less than 1 percent of retirement activity, rendering the results meaningless. We agree and, therefore, approve the currently approved interim net salvage of negative 2 percent.

Account 325 – Miscellaneous Power Plant Equipment

The currently approved net salvage for this account is negative 1 percent. FPL proposed zero interim net salvage based on the fact that historical data indicated positive net salvage with only the past couple of years showing cost of removal exceeding gross salvage. Based on the record evidence, we find that FPL's proposal is reasonable.

3a3. Other Production

Account 341 – Structures & Improvements

The currently approved interim net salvage for this account is negative 2 percent. FPL proposed increasing net salvage to negative 25 percent to reflect increasing removal costs. Adjusting for interim retirements, a negative 12 percent interim net salvage resulted.

OPC proposed interim net salvage of zero. OPC asserted that while FPL recognized increased removal costs, it discounted the 2007 positive net salvage as an anomaly without any investigation.

Historical net salvage for this account has averaged negative 20 percent, with the most recent five-year band averaging positive 9 percent. There was no indication from FPL why the removal costs incurred in 2005 should not be considered an anomaly. We approve the negative 2 percent interim net salvage for this account until more data is available.

Account 342 – Other Production Fuel Holders

The currently approved interim net salvage for this account is zero percent. FPL proposed interim net salvage of negative 5 percent to reflect increased removal costs. Adjusting for interim retirements resulted in negative 3 percent interim net salvage. The Company asserted that the account retirements have been erratic. However, when retirements have occurred, cost of removal with little gross salvage was experienced.

OPC proposed interim net salvage of zero. OPC viewed FPL's proposal as unwarranted given the lack of retirement data.

Based on the record evidence, this account shows insufficient retirements upon which to draw a meaningful conclusion. Accordingly, we approve the currently approved zero percent interim net salvage.

Account 343 – Other Production Prime Movers

The currently approved interim net salvage for this account is zero. FPL proposed interim net salvage of negative 10 percent adjusted to negative 2 percent for interim retirements. FPL asserted that historical net salvage averaged negative 24 percent, with the most recent five years averaging negative 14 percent. The Company averred that this data warranted an increase in negative net salvage.

OPC proposed interim net salvage of zero. OPC asserted that FPL's data included two large negative gross salvage amounts. This data caused the historical information to be excessively negative and produced illogical results. OPC averred that if this data is removed as an anomaly, there is no basis for changing the currently approved interim net salvage.

We agree with OPC that negative gross salvage amounts are illogical. We also agree with FPL that even ignoring these amounts, net salvage has been negative. FPL proposed zero net salvage in its 2005 depreciation study when the data showed negative net salvage. Therefore, we are hard pressed to approve a net salvage more negative when nothing has essentially changed since the 2005 depreciation analysis. We therefore approve the currently prescribed zero percent interim net salvage.

Account 344 – Other Production Generators

The currently approved interim net salvage for this account is negative 1 percent. FPL proposed a negative 100 percent net salvage based on the most recent five years of data, adjusted to negative 11 percent for interim retirements.

OPC proposed zero net salvage. OPC asserted that FPL had not adequately explained or supported its proposal.

Historical net salvage has averaged negative 98 percent, with the most recent five years of data averaging negative net salvage in excess of 100 percent. We note that retirements during the past five years account for more than 60 percent of all retirements recorded during the 1987-2007 period. We also note that until the last five years, cost of removal as well as retirements had generally been negligible. FPL did not explain what caused the sudden increase in activity, so we are unable to verify if its proposed net salvage is appropriate. Under the circumstances, we approve the currently approved interim net salvage of negative 1 percent.

Account 345 – Other Production Accessory Electric Equipment

The currently approved interim net salvage for this account is negative 1 percent. FPL proposed increasing net salvage to negative 10 percent, adjusted to negative 3 percent for interim retirements. The Company states that its proposal is in line with the historical net salvage experience of the account.

OPC proposed zero percent interim net salvage. OPC asserted that the retirement activity during the past five years represented less than 0.4 percent of the account's investment, and 79 percent of that activity was associated with items such as batteries and battery chargers that represented less than 5 percent of the account's investment. Thus, OPC contended that FPL's proposed interim negative net salvage was overstated.

Historical net salvage has averaged negative 7 percent with the most recent five-year band of data averaging negative 14 percent. FPL contended that OPC's argument was flawed because the account's retirements reflect the types of property that will likely be retired interimly and not necessarily the same investment mix. However, FPL did not explain other types of investments subject to interim retirement or the type of salvage they were likely to incur. It is difficult to assume that past activity is indicative of the future if the past is not representative of the type of activity being estimated. For this reason, we approve the currently prescribed negative 1 percent interim net salvage.

Account 346 – Miscellaneous Power Plant Equipment

The currently approved interim net salvage is zero percent, which FPL proposed retaining. Historical net salvage as well has the most recent five years of data have averaged negative 2 percent. Retirements have been minimal. Based on the record evidence, we find FPL's proposal reasonable.

4. Amortizations

In accord with Rule 25-6.0142, F.A.C., FPL amortizes investments in the miscellaneous power plant accounts that represent minor investments of numerous items that are too numerous to track or trace. Each vintage year's additions associated with each account is amortized over a like period of time. FPL proposed no change to these amortizations and none of the intervenors disputed them.

5. Conclusion

The approved depreciation parameters and resulting depreciation rates for production plant are shown on Table 3, on the following pages. The reserve positions shown incorporate the effects of the approved reserve allocations addressed below.

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
CUTLER PLANT				
Cutler Common				
311.0 Structures & Improvements	10.3	(2.00)	84.49	1.7
312.0 Boiler Plant Equipment	9.9	(7.00)	85.38	2.2
314.0 Turbogenerator Units	9.8	0.00	78.22	2.2
315.0 Accessory Electric Equip.	10.2	(6.00)	86.69	1.9
316.0 Misc. Power Plant Equip.	10.1	0.00	80.94	1.9
Cutler Unit 5				
311.0 Structures & Improvements	10.3	(2.00)	84.49	1.7
312.0 Boiler Plant Equipment	9.9	(7.00)	85.38	2.2
314.0 Turbogenerator Units	9.8	0.00	78.22	2.2
315.0 Accessory Electric Equip.	10.2	(6.00)	86.69	1.9
316.0 Misc. Power Plant Equip.	10.1	0.00	80.94	1.9
Cutler Unit 6				
311.0 Structures & Improvements	10.3	(2.00)	84.49	1.7
312.0 Boiler Plant Equipment	9.9	(7.00)	85.38	2.2
314.0 Turbogenerator Units	9.8	0.00	78.22	2.2
315.0 Accessory Electric Equip.	10.2	(6.00)	86.69	1.9
316.0 Misc. Power Plant Equip.	10.1	0.00	80.94	1.9

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
MANATEE PLANT				
Manatee Common				
311.0 Structures & Improvements	17	(1.00)	64.47	2.1
312.0 Boiler Plant Equipment	16.1	(2.00)	60.95	2.6
314.0 Turbogenerator Units	15.7	0.00	58.68	2.6
315.0 Accessory Electric Equip.	16.7	(5.00)	65.15	2.4
316.0 Misc. Power Plant Equip.	16.4	(1.00)	61.56	2.4
Manatee Unit 1				
311.0 Structures & Improvements	17	(1.00)	64.47	2.1
312.0 Boiler Plant Equipment	16.1	(2.00)	60.95	2.6
314.0 Turbogenerator Units	15.7	0.00	58.68	2.6
315.0 Accessory Electric Equip.	16.7	(5.00)	65.15	2.4
316.0 Misc. Power Plant Equip.	16.4	(1.00)	61.56	2.4
Manatee Unit 2				
311.0 Structures & Improvements	17	(1.00)	64.47	2.1
312.0 Boiler Plant Equipment	16.1	(2.00)	60.95	2.6
314.0 Turbogenerator Units	15.7	0.00	58.68	2.6
315.0 Accessory Electric Equip.	16.7	(5.00)	65.15	2.4
316.0 Misc. Power Plant Equip.	16.4	(1.00)	61.56	2.4

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	COMMISSION APPROVED			
	Average Remaining Life	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
MARTIN PLANT				
Martin Common				
311.0 Structures & Improvements	21	(1.00)	55.87	2.1
312.0 Boiler Plant Equipment	19.4	(5.00)	54.08	2.6
314.0 Turbogenerator Units	18.8	0.00	50.53	2.6
315.0 Accessory Electric Equip.	20	(5.00)	57.27	2.4
316.0 Misc. Power Plant Equip.	19.9	0.00	52.62	2.4
Martin Pipeline				
312.0 Boiler Plant Equipment	19.4	(5.00)	54.08	2.6
Martin Unit 1				
311.0 Structures & Improvements	21	(1.00)	55.87	2.1
312.0 Boiler Plant Equipment	19.4	(5.00)	54.08	2.6
314.0 Turbogenerator Units	18.8	0.00	50.53	2.6
315.0 Accessory Electric Equip.	20	(5.00)	57.27	2.4
316.0 Misc. Power Plant Equip.	19.9	0.00	52.62	2.4
Martin Unit 2				
311.0 Structures & Improvements	21	(1.00)	55.87	2.1
312.0 Boiler Plant Equipment	19.4	(5.00)	54.08	2.6
314.0 Turbogenerator Units	18.8	0.00	50.53	2.6
315.0 Accessory Electric Equip.	20	(5.00)	57.27	2.4
316.0 Misc. Power Plant Equip.	19.9	0.00	52.62	2.4

Table 3: Production Depreciation Components and Resulting Rates

	COMMISSION APPROVED			
[illegible]	Average Remaining Life	Net Salvage	[illegible]	Resulting [illegible]
	(yrs.)	(%)	(%)	(%)
PT EVERGLADES PLANT				
Pt Everglades Common				
311.0 Structures & Improvements	10.3	(2.00)	82.90	1.9
312.0 Boiler Plant Equipment	9.9	(6.00)	83.19	2.3
314.0 Turbogenerator Units	9.8	0.00	77.21	2.3
315.0 Accessory Electric Equip.	10.2	(5.00)	84.40	2.0
316.0 Misc. Power Plant Equip.	10.1	(2.00)	80.98	2.1
Pt Everglades Unit 1				
311.0 Structures & Improvements	10.3	(2.00)	82.90	1.9
312.0 Boiler Plant Equipment	9.9	(6.00)	83.19	2.3
314.0 Turbogenerator Units	9.8	0.00	77.21	2.3
315.0 Accessory Electric Equip.	10.2	(5.00)	84.40	2.0
316.0 Misc. Power Plant Equip.	10.1	(2.00)	80.98	2.1
Pt Everglades Unit 2				
311.0 Structures & Improvements	10.3	(2.00)	82.90	1.9
312.0 Boiler Plant Equipment	9.9	(6.00)	83.19	2.3
314.0 Turbogenerator Units	9.8	0.00	77.21	2.3
315.0 Accessory Electric Equip.	10.2	(5.00)	84.40	2.0
316.0 Misc. Power Plant Equip.	10.1	(2.00)	80.98	2.1
Pt Everglades Unit 3				
311.0 Structures & Improvements	10.3	(2.00)	82.90	1.9
312.0 Boiler Plant Equipment	9.9	(6.00)	83.19	2.3
314.0 Turbogenerator Units	9.8	0.00	77.21	2.3
315.0 Accessory Electric Equip.	10.2	(5.00)	84.40	2.0
316.0 Misc. Power Plant Equip.	10.1	(2.00)	80.98	2.1
Pt Everglades Unit 4				
311.0 Structures & Improvements	10.3	(2.00)	82.90	1.9
312.0 Boiler Plant Equipment	9.9	(6.00)	83.19	2.3
314.0 Turbogenerator Units	9.8	0.00	77.21	2.3
315.0 Accessory Electric Equip.	10.2	(5.00)	84.40	2.0
316.0 Misc. Power Plant Equip.	10.1	(2.00)	80.98	2.1

Table 3: Production Depreciation Components and Resulting Rates

	COMMISSION APPROVED			
Account [illegible] Description	Remaining [illegible]	[illegible]	[illegible] Reserve	[illegible]
	(yrs.)	(%)	(%)	(%)
SANFORD PLANT				
Sanford Unit 3				
311.0 Structures & Improvements	10.3	(2.00)	82.54	1.9
312.0 Boiler Plant Equipment	9.9	(6.00)	82.68	2.4
314.0 Turbogenerator Units	9.8	0.00	76.67	2.4
315.0 Accessory Electric Equip.	10.2	(5.00)	84.00	2.1
316.0 Misc. Power Plant Equip.	10.1	(2.00)	80.54	2.1

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
SCHERER PLANT				
Scherer Coal Cars				
312.0 Boiler Plant Equipment	26	(5.00)	36.75	2.6
Scherer Common (Site)				
311.0 Structures & Improvements	28	(1.00)	40.83	2.1
312.0 Boiler Plant Equipment	26	(5.00)	36.75	2.6
314.0 Turbogenerator Units	25	0.00	34.21	2.6
315.0 Accessory Electric Equip.	27	(4.00)	40.18	2.4
316.0 Misc. Power Plant Equip.	27	(1.00)	36.07	2.4
Scherer Common 3 & 4				
311.0 Structures & Improvements	28	(1.00)	41.23	2.2
312.0 Boiler Plant Equipment	26	(5.00)	37.10	2.7
314.0 Turbogenerator Units	25	0.00	34.21	2.6
315.0 Accessory Electric Equip.	27	(4.00)	40.57	2.4
Scherer Unit 4				
311.0 Structures & Improvements	28	(1.00)	40.83	2.1
312.0 Boiler Plant Equipment	26	(5.00)	36.75	2.6
314.0 Turbogenerator Units	25	0.00	34.21	2.6
315.0 Accessory Electric Equip.	27	(4.00)	40.18	2.4
316.0 Misc. Power Plant Equip.	27	(1.00)	36.07	2.4

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	COMMISSION APPROVED			
	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
SJRPP PLANT				
SJRPP Coal Cars				
312.0 Boiler Plant Equipment	26	(5.00)	36.75	2.6
SJRPP Coal & Limestone				
311.0 Structures & Improvements	28	(1.00)	40.83	2.1
312.0 Boiler Plant Equipment	26	(5.00)	36.75	2.6
315.0 Accessory Electric Equip.	27	(4.00)	40.18	2.4
316.0 Misc. Power Plant Equip.	27	(1.00)	36.07	2.4
SJRPP Common				
311.0 Structures & Improvements	27	(1.00)	42.98	2.1
312.0 Boiler Plant Equipment	25	(5.00)	39.38	2.6
315.0 Accessory Electric Equip.	26	(4.00)	42.55	2.4
316.0 Misc. Power Plant Equip.	26	(1.00)	38.48	2.4
SJRPP Gypsum & Ash				
311.0 Structures & Improvements	27	(1.00)	42.98	2.1
312.0 Boiler Plant Equipment	25	(5.00)	39.38	2.6
314.0 Turbogenerator Units		0.00	36.84	2.6
315.0 Accessory Electric Equip.	26	(4.00)	42.55	2.4
316.0 Misc. Power Plant Equip.	26	(1.00)	38.48	2.4
SJRPP Unit 1				
311.0 Structures & Improvements	27	(1.00)	42.98	2.1
312.0 Boiler Plant Equipment	25	(5.00)	39.38	2.6
314.0 Turbogenerator Units	24	0.00	36.84	2.6
315.0 Accessory Electric Equip.	26	(4.00)	42.55	2.4
316.0 Misc. Power Plant Equip.	26	(1.00)	38.48	2.4
SJRPP Unit 2				
311.0 Structures & Improvements	27	(1.00)	42.98	2.1
312.0 Boiler Plant Equipment	25	(5.00)	39.38	2.6
314.0 Turbogenerator Units	24	0.00	36.84	2.6
315.0 Accessory Electric Equip.	26	(4.00)	42.55	2.4
316.0 Misc. Power Plant Equip.	26	(1.00)	38.48	2.4

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	[illegible]			
	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
TURKEY POINT PLANT				
Turkey Point Common				
311.0 Structures & Improvements	10.3	(2.00)	80.56	2.1
312.0 Boiler Plant Equipment	9.9	(6.00)	81.01	2.5
314.0 Turbogenerator Units	9.8	0.00	74.87	2.6
315.0 Accessory Electric Equip.	10.2	(5.00)	82.21	2.2
316.0 Misc.Power Plant Equip.	10.1	(2.00)	78.59	2.3
Turkey Point Unit 1				
311.0 Structures & Improvements	10.3	(2.00)	80.56	2.1
312.0 Boiler Plant Equipment	9.9	(6.00)	81.01	2.5
314.0 Turbogenerator Units	9.8	0.00	74.87	2.6
315.0 Accessory Electric Equip.	10.2	(5.00)	82.21	2.2
316.0 Misc.Power Plant Equip.	10.1	(2.00)	78.59	2.3
Turkey Point Unit 2				
311.0 Structures & Improvements	10.3	(2.00)	80.56	2.1
312.0 Boiler Plant Equipment	9.9	(6.00)	81.01	2.5
314.0 Turbogenerator Units	9.8	0.00	74.87	2.6
315.0 Accessory Electric Equip.	10.2	(5.00)	82.21	2.2
316.0 Misc.Power Plant Equip.	10.1	(2.00)	78.59	2.3

Table 3: Approved Production Depreciation Components and Resulting Rates

[illegible]	Commission Approved			
	[illegible]	[illegible] Net Salvage	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
ST LUCIE PLANT				
St Lucie Common				
321.0 Structures & Improvements	32	0.00	42.86	1.8
322.0 Reactor Plant Equipment	30	(2.00)	42.00	2.0
323.0 Turbogenerator Units	27	0.00	34.15	2.4
324.0 Accessory Electric Equip.	33	(2.00)	43.97	1.8
325.0 Misc.Power Plant Equip.	32	0.00	41.82	1.8
St Lucie Unit 1				
321.0 Structures & Improvements	26	0.00	53.57	1.8
322.0 Reactor Plant Equipment	25	(2.00)	52.00	2.0
323.0 Turbogenerator Units	22	0.00	46.34	2.4
324.0 Accessory Electric Equip.	26	(2.00)	56.28	1.8
325.0 Misc.Power Plant Equip.	25	0.00	54.55	1.8
St Lucie Unit 2				
321.0 Structures & Improvements	32	0.00	42.86	1.8
322.0 Reactor Plant Equipment	30	(2.00)	42.00	2.0
323.0 Turbogenerator Units	27	0.00	34.15	2.4
324.0 Accessory Electric Equip.	33	(2.00)	43.97	1.8
325.0 Misc.Power Plant Equip.	32	0.00	41.82	1.8

Table 3: Approved Production Depreciation Components and Resulting Rates

[illegible]	COMMISSION APPROVED			
	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
TURKEY POINT PLANT				
Turkey Point Common				
321.0 Structures & Improvements	23	0.00	58.93	1.8
322.0 Reactor Plant Equipment	22	(2.00)	58.00	2.0
323.0 Turbogenerator Units	19.9	0.00	51.46	2.4
324.0 Accessory Electric Equip.	23	(2.00)	61.55	1.8
325.0 Misc.Power Plant Equip.	23	0.00	58.18	1.8
Turkey Point Unit 3				
321.0 Structures & Improvements	23	0.00	58.93	1.8
322.0 Reactor Plant Equipment	22	(2.00)	58.00	2.0
323.0 Turbogenerator Units	19.9	0.00	51.46	2.4
324.0 Accessory Electric Equip.	23	(2.00)	61.55	1.8
325.0 Misc.Power Plant Equip.	23	0.00	58.18	1.8
Turkey Point Unit 4				
321.0 Structures & Improvements	23	0.00	58.93	1.8
322.0 Reactor Plant Equipment	22	(2.00)	58.00	2.0
323.0 Turbogenerator Units	19.9	0.00	51.46	2.4
324.0 Accessory Electric Equip.	23	(2.00)	61.55	1.8
325.0 Misc.Power Plant Equip.	23	0.00	58.18	1.8

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
FT MYERS PLANT				
Ft Myers Common				
341.0 Structures & Improvements	23	(2.00)	21.10	3.5
342.0 Fuel Holders, Prod. & Access.	21	0.00	19.23	3.8
343.0 Prime Movers	13.9	0.00	18.71	5.8
344.0 Turbogenerator Units	23	(1.00)	23.57	3.4
345.0 Accessory Electric Equipment	23	(1.00)	23.57	3.4
346.0 Misc. Power Plant Equipment	23	0.00	20.69	3.4
Ft Myers Unit 2				
341.0 Structures & Improvements	22	(2.00)	24.62	3.5
342.0 Fuel Holders, Prod. & Access.	20	0.00	23.08	3.8
343.0 Prime Movers	18	0.00	25.00	4.2
344.0 Turbogenerator Units	22	(1.00)	26.93	3.4
345.0 Accessory Electric Equipment	22	(1.00)	26.93	3.4
346.0 Misc. Power Plant Equipment	22	0.00	24.14	3.4
Ft Myers Unit 3 (Simple Cycle)				
341.0 Structures & Improvements	23	(2.00)	21.10	3.5
342.0 Fuel Holders, Prod. & Access.	21	0.00	19.23	3.8
343.0 Prime Movers	15.5	0.00	18.85	5.2
344.0 Turbogenerator Units	23	(1.00)	23.57	3.4
345.0 Accessory Electric Equipment	23	(1.00)	23.57	3.4
346.0 Misc. Power Plant Equipment	23	0.00	20.69	3.4
Ft Myers GTs				
341.0 Structures & Improvements	10.4	(2.00)	77.89	2.3
342.0 Fuel Holders, Prod. & Access.	9.9	0.00	73.24	2.7
343.0 Prime Movers	8.7	0.00	72.81	3.1
344.0 Turbogenerator Units	10.4	(1.00)	77.66	2.2
345.0 Accessory Electric Equipment	10.4	(1.00)	77.66	2.2
346.0 Misc. Power Plant Equipment	10.3	0.00	76.59	2.3

Table 3: Production Depreciation Components and Resulting Rates

	COMMISSION APPROVED			
[illegible]	[illegible] Remaining Life	Net Salvage	[illegible] Reserve	Remaining Life Rate
	(yrs.)	(%)	(%)	(%)
LAUDERDALE PLANT				
Lauderdale Common				
341.0 Structures & Improvements	13.3	(2.00)	55.22	3.5
342.0 Fuel Holders, Prod. & Access.	12.6	0.00	51.54	3.8
343.0 Prime Movers	8.9	0.00	47.02	6.0
344.0 Turbogenerator Units	13.3	(1.00)	56.22	3.4
345.0 Accessory Electric Equipment	13.4	(1.00)	55.89	3.4
346.0 Misc. Power Plant Equipment	13.2	0.00	54.48	3.4
Lauderdale Unit 4				
341.0 Structures & Improvements	13.3	(2.00)	55.22	3.5
342.0 Fuel Holders, Prod. & Access.	12.6	0.00	51.54	3.8
343.0 Prime Movers	11.2	0.00	51.30	4.3
344.0 Turbogenerator Units	13.3	(1.00)	56.22	3.4
345.0 Accessory Electric Equipment	13.4	(1.00)	55.89	3.4
346.0 Misc. Power Plant Equipment	13.2	0.00	54.48	3.4
Lauderdale Unit 5				
341.0 Structures & Improvements	13.3	(2.00)	55.22	3.5
342.0 Fuel Holders, Prod. & Access.	12.6	0.00	51.54	3.8
343.0 Prime Movers	11.5	0.00	52.08	4.2
344.0 Turbogenerator Units	13.3	(1.00)	56.22	3.4
345.0 Accessory Electric Equipment	13.4	(1.00)	55.89	3.4
346.0 Misc. Power Plant Equipment	13.2	0.00	54.48	3.4
Lauderdale GTs				
341.0 Structures & Improvements	10.4	(2.00)	79.43	2.2
342.0 Fuel Holders, Prod. & Access.	9.9	0.00	74.62	2.6
343.0 Prime Movers	8.9	0.00	73.82	2.9
344.0 Turbogenerator Units	10.4	(1.00)	79.12	2.1
345.0 Accessory Electric Equipment	10.4	(1.00)	79.12	2.1
346.0 Misc. Power Plant Equipment	10.3	0.00	77.61	2.2

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
Pt Everglades GTs				
341.0 Structures & Improvements	10.4	(2.00)	79.43	2.2
342.0 Fuel Holders, Prod. & Access.	9.9	0.00	74.62	2.6
343.0 Prime Movers	8.2	0.00	71.72	3.4
344.0 Turbogenerator Units	10.4	(1.00)	79.12	2.1
345.0 Accessory Electric Equipment	10.4	(1.00)	79.12	2.1
346.0 Misc. Power Plant Equipment	10.3	0.00	77.61	2.2
MANATEE PLANT				
Manatee Unit 3				
341.0 Structures & Improvements	25	(2.00)	14.07	3.5
342.0 Fuel Holders, Prod. & Access.	23	0.00	11.54	3.8
343.0 Prime Movers	20	0.00	13.04	4.3
344.0 Turbogenerator Units	25	(1.00)	16.83	3.4
345.0 Accessory Electric Equipment	25	(1.00)	16.83	3.4
346.0 Misc. Power Plant Equipment	25	0.00	13.79	3.4

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
<u>MARTIN PLANT</u>				
Martin Common				
341.0 Structures & Improvements	14.2	(2.00)	52.06	3.5
342.0 Fuel Holders, Prod. & Access.	13.5	0.00	48.08	3.8
343.0 Prime Movers	12.0	0.00	47.83	4.3
345.0 Accessory Electric Equipment	14.4	(1.00)	52.52	3.4
346.0 Misc. Power Plant Equipment	14.2	0.00	51.03	3.4
Martin Pipeline				
342.0 Fuel Holders, Prod. & Access.	13.5	0.00	48.08	3.8
Martin Unit 3				
341.0 Structures & Improvements	14.2	(2.00)	52.06	3.5
342.0 Fuel Holders, Prod. & Access.	13.5	0.00	48.08	3.8
343.0 Prime Movers	12.5	0.00	47.92	4.2
344.0 Turbogenerator Units	14.3	(1.00)	52.86	3.4
345.0 Accessory Electric Equipment	14.4	(1.00)	52.52	3.4
346.0 Misc. Power Plant Equipment	14.2	0.00	51.03	3.4
Martin Unit 4				
341.0 Structures & Improvements	14.2	(2.00)	52.06	3.5
342.0 Fuel Holders, Prod. & Access.	13.5	0.00	48.08	3.8
343.0 Prime Movers	12.4	0.00	48.33	4.2
344.0 Turbogenerator Units	14.3	(1.00)	52.86	3.4
345.0 Accessory Electric Equipment	14.4	(1.00)	52.52	3.4
346.0 Misc. Power Plant Equipment	14.2	0.00	51.03	3.4
Martin Unit 8				
341.0 Structures & Improvements	25	(2.00)	14.07	3.5
342.0 Fuel Holders, Prod. & Access.	23	0.00	11.54	3.8
343.0 Prime Movers	20	0.00	13.04	4.3
344.0 Turbogenerator Units	25	(1.00)	16.83	3.4
345.0 Accessory Electric Equipment	25	(1.00)	16.83	3.4
346.0 Misc. Power Plant Equipment	24	0.00	17.24	3.4

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	[illegible]			
	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
PUTNAM PLANT				
Putnam Common				
341.0 Structures & Improvements	10.4	(2.00)	75.48	2.6
342.0 Fuel Holders, Prod. & Access.	9.9	0.00	71.71	2.9
343.0 Prime Movers	7.7	0.00	67.92	4.2
344.0 Turbogenerator Units	10.4	(1.00)	75.38	2.5
345.0 Accessory Electric Equipment	10.4	(1.00)	75.38	2.5
346.0 Misc. Power Plant Equipment	10.3	0.00	74.25	2.5
Putnam Unit 1				
341.0 Structures & Improvements	10.4	(2.00)	75.48	2.6
342.0 Fuel Holders, Prod. & Access.	9.9	0.00	71.71	2.9
343.0 Prime Movers	7.9	0.00	68.40	4.0
344.0 Turbogenerator Units	10.4	(1.00)	75.38	2.5
345.0 Accessory Electric Equipment	10.4	(1.00)	75.38	2.5
346.0 Misc. Power Plant Equipment	10.3	0.00	74.25	2.5
Putnam Unit 2				
341.0 Structures & Improvements	10.4	(2.00)	76.13	2.5
342.0 Fuel Holders, Prod. & Access.	9.9	0.00	71.71	2.9
343.0 Prime Movers	8.6	0.00	71.33	3.3
344.0 Turbogenerator Units	10.4	(1.00)	75.99	2.4
345.0 Accessory Electric Equipment	10.4	(1.00)	75.99	2.4
346.0 Misc. Power Plant Equipment	10.3	0.00	74.88	2.4

Table 3: Production Depreciation Components and Resulting Rates

	COMMISSION APPROVED			
[illegible]	[illegible] Remaining Life	Net Salvage	[illegible] Reserve	Remaining Life Rate
	(yrs.)	(%)	(%)	(%)
SANFORD PLANT				
Sanford Common				
341.0 Structures & Improvements	22	(2.00)	24.62	3.5
342.0 Fuel Holders, Prod. & Access.	20	0.00	23.08	3.8
343.0 Prime Movers	17.8	0.00	19.09	4.5
345.0 Accessory Electric Equipment	22	(1.00)	26.93	3.4
346.0 Misc. Power Plant Equip.	22	0.00	24.14	3.4
Sanford Unit 4				
341.0 Structures & Improvements	23	(2.00)	21.10	3.5
342.0 Fuel Holders, Prod. & Access.	21	0.00	19.23	3.8
343.0 Prime Movers	16.8	0.00	20.00	4.8
344.0 Turbogenerator Units	23	(1.00)	23.57	3.4
345.0 Accessory Electric Equipment	23	(1.00)	23.57	3.4
346.0 Misc. Power Plant Equip.	23	0.00	20.69	3.4
Sanford Unit 5				
341.0 Structures & Improvements	22	(2.00)	24.62	3.5
342.0 Fuel Holders, Prod. & Access.	20	0.00	23.08	3.8
343.0 Prime Movers	18.1	0.00	24.58	4.2
344.0 Turbogenerator Units	22	(1.00)	26.93	3.4
345.0 Accessory Electric Equipment	22	(1.00)	26.93	3.4
346.0 Misc. Power Plant Equip.	22	0.00	24.14	3.4

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	COMMISSION APPROVED			
	Remaining Life	Net Salvage	Theoretical Reserve	Remaining Life Rate
	(yrs.)	(%)	(%)	(%)
TURKEY POINT				
Turkey Point Unit 5				
341.0 Structures & Improvements	27	(2.00)	7.03	3.5
342.0 Fuel Holders, Prod. & Access.	24	0.00	7.69	3.8
343.0 Prime Movers	15.9	0.00	9.66	5.7
344.0 Turbogenerator Units	27	(1.00)	10.10	3.4
345.0 Accessory Electric Equipment	27	(1.00)	10.10	3.4
346.0 Misc. Power Plant Equip.	27	0.00	6.90	3.4

Table 3: Production Depreciation Components and Resulting Rates

	COMMISSION APPROVED			
Plant Account Description	Average Remaining Life	Net Salvage	Theoretical Reserve	Remaining Life Rate
	(yrs.)	(%)	(%)	(%)
WEST COUNTY PLANT				
West County Unit 1				
341.0 Structures & Improvements	30	0.00	2.56	3.3
342.0 Fuel Holders, Prod.& Access,	30	0.00	2.56	3.3
343.0 Prime Movers	30	0.00	3.50	3.3
344.0 Turbogenerator Units	30	0.00	2.50	3.3
345.0 Accessory Electric Equip.	30	0.00	3.50	3.3
West County Unit 2				
341.0 Structures & Improvements	30	0.00	2.56	3.3
342.0 Fuel Holders, Prod.& Access,	30	0.00	2.56	3.3
343.0 Prime Movers	30	0.00	3.50	3.3
344.0 Turbogenerator Units	30	0.00	2.50	3.3
345.0 Accessory Electric Equip.	30	0.00	3.50	3.3
West County Unit 3				
341.0 Structures & Improvements	30	0.00	0.00	3.3
342.0 Fuel Holders, Prod.& Access,	30	0.00	0.00	3.3
343.0 Prime Movers	30	0.00	0.00	3.3
344.0 Turbogenerator Units	30	0.00	0.00	3.3
345.0 Accessory Electric Equip.	30	0.00	0.00	3.3

Table 3: Production Depreciation Components and Resulting Rates

	COMMISSION APPROVED			
Account Number and Description	Average Remaining Life	Net Salvage	Unrecovered Reserve	Remaining Life Rate
	(yrs.)	(%)	(%)	(%)
SOLAR				
Desoto Solar Energy Center	30	0	0	3.3
Spacecoast Solar Energy Center	30	0	0	3.3
Martin Solar Energy Center	30	0	0	3.3

Table 3: Production Depreciation Components and Resulting Rates

[illegible]	[illegible]			
	[illegible]	[illegible]	[illegible]	[illegible]
	(yrs.)	(%)	(%)	(%)
STEAM PRODUCTION - AMORTIZABLE				
316.3 Misc. Power Plant Equipment	3 Year Amortization			
316.5 Misc. Power Plant Equipment	5 Year Amortization			
316.7 Misc. Power Plant Equipment	7 Year Amortization			
NUCLEAR PRODUCTION - AMORTIZABLE				
325.3 Misc. Power Plant Equipment	3 Year Amortization			
325.5 Misc. Power Plant Equipment	5 Year Amortization			
325.7 Misc. Power Plant Equipment	7 Year Amortization			
OTHER PRODUCTION - AMORTIZABLE				
346.3 Misc. Power Plant Equipment	3 Year Amortization			
346.5 Misc. Power Plant Equipment	5 Year Amortization			
346.7 Misc. Power Plant Equipment	7 Year Amortization			

Depreciation parameters and resulting rates: Transmission, Distribution, and General Accounts

In the discussion below, we address the depreciation rates for the mass property accounts, i.e., the transmission, distribution, and general accounts. Our approved depreciation parameters include the remaining life (in years), net salvage percent, and reserve percent, all of which are used to calculate the remaining life depreciation rate.[23] The reserve and any reallocations are addressed below. Based on the record, we find that adjustments to depreciation parameters in certain accounts are warranted.

For each account, FPL provided a proposal for a curve and average service life (ASL), both of which are used in the calculation of the remaining life. OPC provided proposals for curves as well as ASLs for specific accounts. Curves are denoted by a letter that describes when retirements are more likely to occur. An L curve implies that retirements tend to occur prior to the ASL, while an R curve implies that retirements tend to occur after the ASL. The average service life denotes the average number of years that the plant within a particular account is expected to live. While the ASL may be based, at least in part on historical data, it is prospective in its outlook and implementation. The remaining life is the average number of in-service years left for plant that is currently in service. The net salvage, based on historical data but also prospective in outlook, is gross salvage minus cost of removal. The reserve percent is calculated by dividing the book reserve by the original cost of plant.

OPC and FPL disagreed on how a curve should be fitted and whether certain types of retirements should be included in the data analysis. These disagreements are found throughout the account-by-account analysis. In order to avoid repetition, these disagreements will be discussed in this part of our analysis.

OPC used visual curve fitting in its technique. OPC witness Pous asserted that data points which "reflect the most significant level of plant exposed to retirement events [exposures] —are more important . . . than others." For example, in his analysis of Account 353, Station Equipment, witness Pous contended that his proposed curve is a better fit through the first 16.5 years of age than FPL's curve, and a comparable fit to FPL's curve from 16.5 years through about 23.5 years. According to witness Pous, FPL's curve is a better fit between 23.5 and 36 years. OPC witness Pous asserted that the level of exposures is approximately $1.3 billion through the early years; however, it drops to approximately $500 million by 16.5 years of age. According to witness Pous, FPL's interpretation of the actuarial analysis is "erroneous" because it places greater significance on the end of the curve, rather than the top or head of the curve where the level of exposures is much higher.

FPL used visual curve fitting and mathematical (statistical) matching in its technique. FPL witness Clarke averred that the emphasis in curve fitting should be placed on the middle years, basing his methodology on Bulletin 125 by Robley Winfrey, "considered the dean of

[23] Both FPL and OPC recognize that depreciation involves estimates. For this reason, there is little reason to be as precise as a hundredth of a year for remaining lives. Our approved lives reflect the rounding of lives over 20 years to the nearest whole year and lives less than 20 years to the tenth of a year.

depreciation and life analysis."[24] Mr. Winfrey's recommendation is to give more weight to the middle portion of the curve, between 80 and 20 percent surviving, because this section "is the result of greater numbers of retirements and also it covers the period of most likely the normal operation of the property." Even so, according to FPL, "if the average service life and the survivor curve combination was not reasonable, experience and judgment were needed." FPL witness Clarke asserted that OPC witness Pous proposed "exactly the opposite" of what Mr. Winfrey recommends.

The disagreement on curve fitting between FPL and OPC only serves to emphasize the need for judgment. Based on the evidence, we believe that FPL's method of curve estimation, as described in the record, is appropriate because it relied on visual and mathematical curve fitting, as well as classic depreciation theory.

There is significant disagreement between FPL and OPC on whether certain data should be included or excluded when analyzing retirements and their associated cost of removal and gross salvage. When analyzing data for retirements, cost of removal, and gross salvage, FPL witness Clarke included recurring retirements that were reimbursed by outside parties. Witness Clarke, however, removed reimbursed retirements that he considered to be nonrecurring, for example, relocations required by the Department of Transportation and the installation of the new Metrorail line. Witness Clarke also removed data related to hurricanes. According to witness Clarke, hurricanes "are unexpected events that are not indicative of the future activity for an account."

OPC witness Pous did not distinguish between recurring and nonrecurring reimbursed retirements. He contended that FPL witness Clarke "removed the impact of reimbursed retirements from the analyses, even though such events occur on an annual basis . . . ." Witness Pous asserted that these reimbursed retirements "cannot legitimately be considered outliers."

In our opinion, it is reasonable to remove data related to nonrecurring events, such as hurricane effects and nonrecurring reimbursed retirements, from the analysis because the data can skew the results of the analysis. At the same time, we feel it is reasonable to include recurring data.

OPC proposed depreciation parameters for the aircraft accounts. However, there is no need at this time for us to order depreciation rates for these accounts because FPL removed aviation costs from rate base. If, in the future, FPL wishes to include aviation investment and depreciation expense in rate base for establishing revenue requirements, it will need to file a new depreciation study.

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[24] Bulletin 125 was originally printed in 1935 by Iowa State University. It was revised by Harold A. Cowles, renamed the "Statistical Analyses of Industrial Property Retirements," and reprinted in April 1967.

1. Account-Specific Analysis: Transmission Plant

Account 350.20 – Easements

FPL proposed no change to its current S4 curve, 50-year average service life, and 0 percent net salvage. OPC proposed an increase in the average service life from 50 to 95 years.

OPC argued that FPL relied on "suggestive" industry data for its ASL proposal. OPC also argued that it is difficult to obtain easements for new transmission lines. This difficulty, in OPC's view, results in FPL's continued reliance on existing easements. OPC witness Pous characterized his proposal as "conservative." Witness Pous pointed out in his testimony that FPL does not have plans to retire easements.

FPL's plans are to continue to use existing easements "as it replaces transmission investment that currently occupies the easement." Although not all of FPL's easements are perpetual, FPL indicated that its "policy is to obtain perpetual rights easements (no expiration) everywhere that is available."

FPL witness Clarke asserted that there were "not many retirements in this account;" consequently, the "results of the statistical analysis were poor." According to witness Clarke, the industry range is 40-60 years, and with the present ASL of 50, "[t]here is no reason to warrant a change from the current approved [average service life of 50]." Witness Clarke characterized OPC's proposal of a 95-year ASL as "absurd." Witness Clarke averred that the maximum life of the equipment on the easements, e.g., poles, would be one half of the life of the easement.

We believe that a 50-year average service life for easements is too short, based on the evidence. OPC's arguments, for the most part, are convincing; however, not all of FPL's easements are perpetual. Therefore, we believe that a reasonable compromise is an average service life of 75 years.

Account 352.00 – Structures and Improvements

FPL proposed a change in curve from S4 to R3, an increase in the ASL from 47 to 60 years, and a decrease in net salvage from (10) percent to (15) percent. None of the intervenors offered any proposal for this account.

According to FPL witness Clarke, both his actuarial analysis and industry data suggest a life of 50 – 60 years. Witness Clarke also asserted that both his proposed curve and ASL "are reasonable for structure of this nature, produce the best results in the life analysis and are consistent with the estimates used by other electric utilities." Both the S4 and R3 curves, with a 60-year ASL, result in approximately the same remaining life.

Witness Clarke asserted that cost of removal has increased recently; however, gross salvage is "negligible." After reviewing the data, we agree that gross salvage is negligible. Between 2000 and 2007, cost of removal ranged from 0 percent (2000) to 387 percent (2003).

Accordingly, we find that decreasing the net salvage from (10) to (15) percent appears reasonable in light of the data.

Account 353.00 – Station Equipment

FPL proposed no change in the current R1.5 curve, a two-year increase in the ASL from 36 to 38 years, and a decrease in net salvage from five percent to (10) percent. OPC proposed an L1 curve, 43-year ASL, and 0 percent net salvage.

OPC argued that FPL's curve and ASL proposal "relies on a poor and inappropriate interpretation of the results of its actuarial analysis . . . ." Witness Pous contended that his proposed curve is a better fit through the first 16.5 years, where there are the greatest level of exposures (plant available for retirement). According to FPL witness Clarke, FPL's curve was the "best fitting curve mathematically." As discussed above, we believe that FPL's curve fitting technique is the appropriate technique. Accordingly, we will use the R1.5 curve.

OPC witness Pous also asserted that with regard to the ASL, FPL witness Clarke was incorrect when he asserted that an ASL of 38-39 years is "typical." According to OPC witness Pous, an ASL of 38-39 years falls at the low end of industry data. Witness Pous contended that, based on FPL's industry data, a "typical" ASL would be 45 or 50 years. Witness Pous also asserted that although FPL claimed it recognized the trend toward longer lives, it "did not follow through." We agree with OPC that the ASL should be longer than the 38 years proposed by FPL. However, an increase from 36 to 43 years is too large an increase at one time. Therefore, based on the record evidence, we will use a compromise ASL of 40 years.

For net salvage, OPC argued that FPL's proposal is "inappropriate." According to OPC witness Pous, there are "atypical values" in FPL's data that "drive" FPL's proposal to decrease net salvage from five to (10) percent. Witness Pous also contended that FPL's proposal "fails to analyze the relationship of investment mix versus retirement mix . . . ." Witness Pous asserted that the trend of increases in the cost of removal is "significantly driven by retirements during 2007."

FPL witness Clarke asserted that OPC witness Pous "claims to have investigated these [unusual] values, but the results of his 'investigation' are in some ways bizarre." According to FPL witness Clarke, witness Pous claimed that 2007's large cost of removal "is driven by the retirement of a building with a high level of asbestos." According to witness Clarke, the type of building referred to by OPC is in another account.

While the cost of removal should be decreased, a decrease from five percent to (10) percent is too drastic. Therefore, we approve a compromise of (2) percent net salvage.

Account 353.10 – Station Equipment – Generator Step-Up Transformers

FPL proposed a change in the curve from S3 to R2, a decrease in the ASL from 35 to 33 years, and a decrease in net salvage from five to 0 percent. OPC proposed a change in the curve from S3 to S0.5 and an increase in the ASL from 35 to 44 years.

OPC argued that FPL's approach to determining an ASL is "simplistic and flawed." OPC witness Pous contended that it is "illogical and inconsistent with the historical practices for the industry" to propose a shorter life for step-up transformers than for the rest of the generation plant to which the investment in this account is "directly tied." Witness Pous also asserted that a significant retirement occurred at age zero that should have been removed from the analysis.

FPL witness Clarke's rebuttal was brief. Witness Clarke asserted that his curve and ASL proposals were based on statistical analysis. He further asserted that the "statistical analysis was good and showed a good fit . . . both graphically and mathematically." Witness Clarke contended that removing the retirement that occurred at year zero did not impact his analysis.

As discussed above, we believe that FPL's curve fitting technique is appropriate; therefore, we will use the R2 curve. We disagree with FPL's shortening of the ASL; however, we do not believe the record supports an increase in average service life. Therefore, we will use an ASL of 35 years.

Account 354.00 – Towers and Fixtures

FPL proposed no change to the existing R5 curve, 45-year ASL, and (15) percent net salvage. OPC proposed a small change in the curve from R5 to R4, an increase in the ASL from 45 to 60 years, and an increase in net salvage from (15) percent to 0 percent.

OPC argued that FPL admitted that the results of its actuarial analysis are "poor." OPC witness Pous asserted that OPC's "recommendation is logically derived from Company specific data, and is also reflective of what Mr. Clarke and his firm have recommended in other depreciation studies." According to witness Pous, the basis for OPC's recommendation for an R4 curve and 60-year ASL is primarily that FPL has "substantial" investment 35 years old or older and that there have been few retirements. With few retirements, OPC placed "greater reliance" on information from the industry. OPC argued that, using FPL's industry data, 63 years is the average ASL.

FPL witness Clarke contended that there was insufficient information to recommend a change to the ASL. Witness Clarke also asserted that OPC provided no evidence that the industry data results in an "appropriate comparison with FPL." Additionally, witness Clarke asserted that OPC was "wrong" about FPL having plant close to the maximum age. According to witness Clarke, the maximum life for the R5 curve with 45-year ASL is over 60 years; the oldest FPL plant is 49 years old as of December 31, 2009.

In our opinion, limited retirements lend credence to OPC's proposal for a longer life. However, we believe that 60 years is too long. Accordingly, we will use the R5 curve with a 52-year ASL.

With regard to net salvage, OPC argued that FPL's proposal "is based on its failure to properly analyze the data upon which it relied." OPC witness Pous primarily based his arguments on what he viewed as data manipulation, including the 2006 data. According to FPL witness Clarke, OPC witness Pous contended that reimbursed retirements should have been included. FPL witness Clarke contended that OPC's argument about discrepancies in 2006 data is related to hurricane-related retirements, which FPL removed from the data. As discussed above, we believe that FPL's approach with regard to reimbursed retirements and the effects of hurricanes is reasonable. Therefore, we approve a net salvage of (15) percent.

Account 355.00 – Poles and Fixtures

FPL proposed no change to the R2 curve, an increase in the ASL from 41 to 44 years, and no change to the (50) percent net salvage. OPC proposed that the net salvage be increased from the current (50) percent to (30) percent.

OPC witness Pous contended that FPL's "manipulation of its actual historical data is suspect." By this, OPC meant that FPL removed reimbursed retirements and hurricane related data. As discussed above, we believe that FPL's approach with regard to reimbursed retirements and the effects of hurricanes is reasonable.

OPC witness Pous also contended that FPL ignored more recent data with reduced negative net salvage. OPC argued that FPL did not consider economies of scale. OPC further argued that although FPL expected increased negative net salvage because of preservatives on the poles, FPL "admitted" that the majority of transmission poles are concrete. Witness Clarke responded to OPC's contention that FPL ignored recent data by explaining that "a more detailed look at the history of this account reveals that there is more of a cyclical trend . . . ." With regard to economies of scale, witness Clarke referred to an earlier discussion where he pointed out that for economies of scale to be pertinent, large numbers of retirements need to occur in close proximity.

We believe that FPL's removal of nonrecurring reimbursed retirements and hurricane data is appropriate; otherwise, this data might skew the results. After reviewing the data, we believe that the data is probably more cyclical in nature than not. While some economies of scale might be present, they are probably small once hurricane data is excluded. Accordingly, we find that (50) percent net salvage is appropriate.

Account 356.00 – Overhead Conductors and Devices

FPL proposed no change in the R1.5 curve, an increase in the ASL from 44 to 47 years, and a decrease in net salvage from (45) to (50) percent. OPC proposed an S0 curve, an increase in the ASL to 51 years, and an increase in net salvage from (45) to (40) percent.

OPC witness Pous contended that his curve fitting technique provides a "somewhat better overall fit" than FPL's technique. As discussed above, we believe FPL's curve fitting technique is appropriate. Therefore, we will use the R1.5 curve.

OPC witness Pous asserted that the process of upgrading lower voltage transmission lines to higher voltage lines "artificially shortened the overall life expectancy of the previously retired investment." Thus, according to witness Pous, a longer ASL is indicated. Witness Pous contended that another reason for an increased ASL is the "not in my backyard" or "NIMB" syndrome.

FPL witness Clarke discounted OPC's arguments by asserting that the "data for this account is excellent and fits the Iowa curve selection very nicely." We believe that FPL has made the more persuasive case in its proposal to increase the ASL from 44 to 47 years.

With regard to net salvage, OPC argued that FPL manipulated the database by removing reimbursed retirements. As discussed above, we are of the opinion that FPL's approach on reimbursed retirements and hurricane effects is reasonable. Therefore, we approve a net salvage of (50) percent.

Account 357.00 – Underground Conduit

FPL proposed a change in curve from S3 to R4, an increase in the ASL from 46 to 60 years, and no change to the net salvage of 0 percent. None of the intervenors offered any proposal for this account.

According to FPL witness Clarke, actuarial data and industry data support an increase in the ASL and a change to a "higher mode" curve. We note that whether the S3 or R4 curve is used with the ASL of 60 years, the remaining life differs by less than one year. With "limited" data, witness Clarke asserted that a net salvage "close to 0 percent is appropriate since underground conduits are generally abandoned in place." We believe that the R4 curve, and 60-year ASL are appropriate. We approve a net salvage of 0 percent.

Account 358.00 – Underground Conductors and Devices

FPL proposed a change in curve from S3 to L3, an increase in the ASL from 35 to 60 years, and a decrease in net salvage from 0 to (10) percent. None of the intervenors offered any proposal for this account.

According to FPL witness Clarke, the actuarial analysis results in life indications of 50 to 60 years, with industry data ranging between 30 and 60 years. Witness Clarke asserted that, "[g]enerally, the cost of removing wire from underground conduit is expected to be greater than its salvage value, thus net salvage of 0 or less is reasonable." According to witness Clarke, industry data suggest net salvage between 0 and (20) percent. Witness Clarke asserted that, for FPL, salvage data is "sporadic" for some years.

Using an S3 curve or an L3 curve with a 60-year ASL results in almost the same remaining life (difference of less than one year). We believe that the change in curve is reasonable. With regard to net salvage, there has been no gross salvage since 2000, while cost of removal has experienced considerable variance (e.g., 37 percent in 2006 and 509 percent in 2005). Overall, net salvage appears to be decreasing; therefore, we find that the decrease in net salvage to (10) percent is reasonable.

Account 359.00 – Roads and Trails

FPL proposed no change to the current curve, no change in the 50-year ASL, and a decrease in net salvage from 0 to (10) percent. OPC proposed that the ASL be increased to 65 years.

According to FPL witness Clarke, there is "very little activity in this account." Witness Clarke concludes, based in part on industry data, that a range of 50 to 70 years "would be consistent with the industry range." Witness Clarke decreased the net salvage because "there is [sic] some removal costs preparing to restore to pristine condition." According to witness Clarke, the cost of removal rates are (41) percent for the 20-year band and (48) percent for the 5-year band.

OPC argued that investments in this account can and will last longer than the 50 years proposed by FPL. According to OPC witness Pous, "limited level of retirement activity . . . is indicative of longer life spans for such investments." OPC witness Pous also compared FPL witness Clarke's proposal in this docket with proposals he made in other states. FPL witness Clarke opined that there is "no justification" for extending the life; furthermore, he asserted that witness Pous provided "no valid justification" for his proposal. Witness Clarke disagreed with OPC witness Pous that what witness Clarke proposed in other states is relevant in this case.

We agree with OPC that limited retirement activity lends support to an increase in life. Accordingly, we believe that a 65-year ASL for this account is reasonable.

2. Account-Specific Analysis: Distribution Plant

Account 361.00 – Structures and Improvements

FPL proposed a change in curve from L3 to R3, an increase in the ASL from 45 to 60 years, and no change to the net salvage of (15) percent. None of the intervenors offered any proposal for this account.

According to FPL witness Clarke, the actuarial analysis supports a change in curve and an increase in life. Industry lives for this account range from 30 to 65 years. Changing the curve from L3 to R3 with a 60-year ASL results in remaining lives that are less than one year apart. According to witness Clarke, cost of removal is increasing, but gross salvage is "negligible." We believe that the R3 curve, and 60-year ASL are appropriate. We approve a net salvage of (15) percent.

Account 362.00 – Station Equipment

FPL proposed no change in the R1.5 curve, an increase in the ASL from 38 to 41 years, and no change in the (10) percent net salvage. OPC proposed a change in the curve from R1.5 to S0 and an increase in the ASL from 38 to 48 years.

OPC argued that its curve fitting technique, which places greater emphasis on the level of exposures, is appropriate. As discussed above, we believe that FPL's technique is appropriate; therefore, we will use the R1.5 curve. OPC witness Pous also contended that FPL's industry average is 46 years. FPL witness Clarke disagreed with OPC's proposed increase in the ASL to 48 years. However, we believe that a modest increase in life beyond FPL's is warranted. Therefore, we increase the life to 43 years.

Account 364.00 – Poles, Towers, and Fixtures

FPL proposed a slight change in the curve, from R1.5 to R2, an increase in the ASL from 34 to 37 years, and a decrease in net salvage from (40) percent to (125) percent. OPC proposed the curve remain at R1.5, an increase in the ASL from 34 to 41 years, and a decrease in net salvage from (40) percent to (60) percent.

OPC witness Pous contended that his proposed curve and ASL are a "superior fit" compared to FPL's proposal. Witness Pous asserted that FPL's statements that "most poles in the system are concrete poles is incorrect;" the "vast majority" of poles are wood poles. According to witness Pous, FPL recognized, but did not appear to incorporate, programs to extend the life of wood poles. Witness Pous averred that industry data supports an ASL longer than the 37 years proposed by FPL. FPL witness Clarke asserted that FPL is "not sure" how many wood poles will be replaced with concrete poles. Witness Clarke contended that his ASL proposal extends the life, but to increase it even more "is not justified at this time." Additionally, according to witness Clarke, using the average life in the industry is "incorrect." We believe it is reasonable to extend the ASL further; however, we believe that a compromise ASL of 39 years is appropriate based on the record. We also believe that the R2 curve is appropriate.

FPL proposed to decrease net salvage from (40) to (125) percent because of a "large increase in removal costs." OPC proposed a much smaller decrease in net salvage from (40) to (60) percent. OPC argued that FPL's proposal is the "most aggressive depreciation practice presented by the Company." OPC witness Pous contended that a review of the data indicates FPL "has significantly manipulated the historical results" by removing reimbursed retirements. Witness Pous also asserted that while FPL "has raised concerns" about the disposal of treated wood poles, FPL "fails to note" the level of investment of concrete poles (18 percent), and that FPL is adding concrete poles at a faster rate than wood poles.

As discussed above, we believe that FPL's approach on reimbursed retirements is reasonable. A review of the data shows that cost of removal is increasing and gross salvage is decreasing. We believe it would be a useful exercise for FPL to perform an analysis to determine why this is occurring and whether it is possible for FPL to make internal changes that might mitigate this trend. We are of the opinion that FPL's proposed decrease in net salvage is too large and may well be premature. OPC's proposed net salvage of (60) percent represents a moderate decrease in net salvage, yet it still reflects FPL's actual experience. Accordingly, we approve (60) percent net salvage.

Account 365.00 – Overhead Conductors and Devices

FPL proposed a slight change in curve, from S0.5 to S0, an increase in the ASL from 35 to 40 years, and a decrease in net salvage from (50) to (100) percent. OPC proposed the S0 curve, an increase in the ASL to 43 years, and no change in net salvage of (50) percent.

OPC argued that its proposed 43-year ASL is the "only credible recommendation in the record." OPC witness Pous contended that if FPL had used the 20-year experience band, the ASL "would have to be increased" to 46 years instead of 40 years. Additionally, according to witness Pous, industry information would support an ASL in the "mid 40s." FPL witness Clarke contended that his statistical analysis was "good" and his proposal was a "good fit both graphically and mathematically." Witness Clarke asserted that witness Pous did not explain why a 20-year band should be used. Since both parties made good arguments, a compromise on the ASL is reasonable. Therefore, we will use an S0 curve and 41-year life.

FPL proposed a net salvage of (100) percent, in effect doubling the negative net salvage. OPC witness Pous contended that FPL's proposal was made "without adequate or reasonable justification for its position." According to witness Pous, FPL did not investigate a "significant anomaly," a large negative gross salvage in 2006. FPL responded that it considered the amount an outlier. FPL witness Clarke contended that assuming an "average" salvage in 2006, the net salvage would have been over (90) percent. According to OPC witness Pous, the "disproportionate retirement level of switches in the historical database is skewing" FPL's proposal. FPL witness Clarke responded that he looked at all retirements, not just the 10 percent of retirements comprised of switches. Part of OPC's argument refers to reimbursed retirements.

As discussed above, we believe that FPL's approach to reimbursed retirements is reasonable. However, such a large decrease in net salvage is without adequate support. A review of the data shows that cost of removal is increasing. We believe it would be a useful exercise for FPL to perform an analysis to determine why the cost of removal is increasing and whether it is possible for FPL to make internal changes that might mitigate this trend. A modest decrease in net salvage, reflecting the data, is appropriate. Accordingly, we approve (60) percent net salvage.

Account 366.60 – Underground Conduit, Duct System

FPL proposed a small change in the curve, from S3 to S1.5, an increase in the ASL from 48 to 70 years, and an increase in the net salvage from (10) percent to (5) percent. OPC proposed a net salvage of 0 percent.

OPC argued that FPL's proposed increase in net salvage is "inadequate." OPC witness Pous asserted that the 5-year salvage band results support a 0 percent net salvage; however, the 3-year bands are positive. According to witness Pous, "[I]f reimbursed retirements are recognized, the historical database turns *positive* overall." As discussed above, we believe that FPL's approach on reimbursed retirements is reasonable. However, after an evaluation of the data, the record supports an increase in the net salvage somewhat more than FPL's proposal. We find that a net salvage of (2) percent is appropriate.

Account 366.70 – Underground Conduit, Direct Buried

FPL proposed a change in curve from S3 to R4, an increase in the ASL from 41 to 50 years, and no change in the 0 percent net salvage. None of the intervenors offered any proposal for this account.

According to FPL witness Clarke, the results of the actuarial analysis were "poor." Lives in the industry range from 35-80 years. Witness Clarke asserted that the S3 curve is "too short" and the ASL should be increased. According to witness Clarke, the "cost of removal and [gross] salvage percents are all over the place for this account;" therefore, his proposal is to retain the net salvage. We will use the R4 curve, and 50-year ASL. We approve a net salvage of 0 percent.

Account 367.60 – Underground Conductors and Devices Duct System

FPL proposed to retain the S0 curve, 38-year ASL, and (5) percent net salvage. OPC proposed a curve change from S0 to L1, an increase in the ASL from 38 to 40 years, and an increase in net salvage from (5) percent to 0 percent.

OPC argued that the L1 curve is a better fit through the first 12 to 13 years. As discussed above, we believe that FPL's curve fitting technique is appropriate. Therefore, we will use the S0 curve. OPC witness Pous contended that tree retardant cable, which comprises over 22 percent of the investment, provides support for a longer ASL. FPL witness Clarke responded that he was unaware that there was an established industry life for tree retardant cable longer than 38 years. We believe FPL's argument persuasive; therefore, we will use an S0 curve and 38-year ASL.

For net salvage, OPC based its proposal, in part, on reimbursed retirements. As discussed above, we believe that FPL's approach on reimbursed retirements is reasonable. We find that 0 percent net salvage is appropriate based on the data.

Account 367.70 – Underground Conductors Devices Direct Buried

FPL proposed a change in curve from R2.5 to R2, an increase in the ASL from 34 to 35, and no change in the 0 percent net salvage. OPC proposed a change in curve from R2.5 to S0.5 and an increase in the ASL from 34 to 43 years.

OPC argued that its "presentation of a better curve fit was unrebutted." OPC witness Pous asserted that his proposed curve is a better fit than FPL's during different periods. As discussed earlier, we believe that FPL's curve fitting technique is appropriate; therefore, we approve the R2 curve. OPC witness Pous contended that the slowing of retirements in the last six years would support an increased ASL beyond FPL's proposal. According to FPL witness Clarke, while retirements had slowed down, they have begun to increase again. We believe that a 35-year ASL is reasonable and supported by the evidence.

Account 368.00 – Line Transformers

FPL proposed a change in curve from L2 to L1.5, an increase in the ASL from 31 to 32, and an increase in net salvage from (35) percent to (25) percent. OPC proposed the L1.5 curve, an ASL of 34 years, and an increase in net salvage to (20) percent.

OPC argued that its proposed curve is a better fit for ages less than 24.5 years. As discussed above, we believe that FPL's curve fitting technique is appropriate; therefore, we will use the L1.5 curve. OPC witness Pous asserted that his ASL recommendation of 34 years is closer to the industry average ASL than FPL's. Although FPL witness Clarke mentioned OPC's discussion of industry averages, witness Clarke did not refute the use of averages; rather, he contended that the statistical analysis was "good" and that his proposed curve and life "fit good both graphically and mathematically." According to witness Clarke, the industry range is 26-45 years. We believe that an increase in the ASL to 33 years is reasonable and appropriate.

FPL witness Clarke asserted that his proposed increase in net salvage is based on a decline in the cost of removal with almost no gross salvage. OPC argued that FPL's proposal is insufficient. Witness Clarke contended that OPC has "no facts" for increasing the net salvage compared to what FPL proposed. After reviewing the data, we find that an increase in net salvage from (35) to (25) percent is reasonable.

Account 369.10 – Services, Overhead

FPL proposed a small change in the curve, from R1.5 to R1, an increase in the average service life, from 36 to 48 years, and a decrease in the net salvage, from (60) percent to (125) percent. OPC proposed that the net salvage be decreased from (60) percent to (85) percent.

OPC provided several arguments against decreasing the net salvage. First, OPC witness Pous asserted that FPL's current net salvage is "already more negative than the industry average by a significant level." Second, witness Pous contended that FPL's accounting practices are "suspect." Third, according to witness Pous, FPL's proposed net salvage would produce $4.2 million of negative net salvage, an amount that is "almost *four* times the average level of negative net salvage the Company has experienced throughout its historical database . . . ." Additionally, OPC argued that FPL's proposal was made "without any consideration of what causes it to be so much more negative than the industry."

According to FPL witness Clarke, net salvage has been more than (200) percent in some recent years. Witness Clarke asserted that a "direct comparison of FPL to the companies in my industry group would not be an 'apples to apples' comparison." This is because of the "many factors" that influence FPL's data, including "accounting policies, Operation and Maintenance (O&M) practices, management policies, etc."

It is clear from a review of the data that cost of removal is increasing. We believe it would be a useful exercise for FPL to perform an analysis to determine why the cost of removal is increasing and whether it is possible for FPL to make internal changes that might mitigate this trend. We are also of the opinion that decreasing net salvage from (60) to (125) percent is far too drastic. Accordingly, we approve decreasing net salvage from (60) to (85) percent because this is a moderate change that, nonetheless, recognizes what is occurring in this account.

Account 369.70 – Services, Underground

FPL proposed no change in the R2 curve, 34-year ASL, and (10) percent net salvage. OPC proposed a change in curve from R2 to S0.5, an increase in the ASL from 34 to 41 years, and an increase in net salvage from (10) percent to (5) percent.

OPC witness Pous contended that its proposed curve is an "excellent" fit through the first 13.5 years of age. As discussed above, we believe that FPL's curve fitting technique is appropriate; therefore, we will use the R2 curve. According to witness Pous, FPL did not state that the average ASL for its industry database is 39 years, five years longer than FPL's proposed ASL, while OPC's proposal is two years higher. According to FPL witness Clarke, retirements in this account are "very small compared to the exposures." We believe that an ASL of 38 is both moderate and reasonable, taking into account what appears to be longer living plant.

OPC argued that the "only credible evidence in the record supports" OPC's net salvage proposal. Witness Pous averred that there appears to be a correlation between quantity retired and cost of removal, such that economies of scale had an impact. FPL witness Clarke alleged that witness Pous "attempts to confuse the record." We disagree. We find that an increase in net salvage to (5) is appropriate based on data and the record.

Account 370.00 – Meters

FPL proposed a change in curve from S2 to R2.5, an increase in the ASL from 34 to 36 years, and a decrease in net salvage from (30) percent to (55) percent. OPC proposed a curve of S1.5, an ASL of 38, and net salvage of (10) percent.

According to OPC witness Pous, his visual curve fitting technique produces a better fit through the first 22.5 years. As discussed above, we believe that FPL's curve fitting technique is appropriate; therefore, we will use the R2.5 curve. OPC argued that based on actuarial analysis, an ASL of 38 years is warranted. FPL expects to retire approximately 4.3 million meters in the next five years, to be replaced with AMI meters (Account 370.10). We believe that increasing the ASL beyond 36 years is premature because of the planned replacements of meters.

OPC argued that FPL did not establish that its historical net salvage "is indicative of what will transpire in the future . . . ." OPC witness Pous asserted that FPL did not refer to industry data when discussing this account because if it had, "it would have become patently clear that the Company's proposal falls so far outside reasonable bounds as to lack credibility." According to OPC witness Pous, the industry database upon which FPL relied shows an average net salvage of (3) percent, with the most negative net salvage at (25) percent. OPC witness Pous based his recommendation on a cost of removal estimate of $5.63 per meter, taken from a case in Texas. Witness Pous applied $5.63 to FPL's 4.3 million meters that will be retired in the next five years, yielding an approximate net salvage of (10) percent. FPL witness Clarke contended that retiring 4.3 million meters will have "no bearing" on the contents of this account. Witness Clarke asserted that his proposed net salvage relates to those meters not being replaced with AMI meters because meters removed due to the AMI program will be moved to a capital recovery schedule.

We are troubled by such a high proposed cost of removal. Although the data may appear to support a higher cost of removal, FPL did not provide an analysis of why the cost of removal is high. Accordingly, we believe it would be a useful exercise for FPL to investigate and determine the reasons for the high cost of removal in this account. We believe it is premature to increase the cost of removal. At the same time, the data indicates a net salvage less than OPC's proposal. Therefore, we approve a net salvage of (30) percent.

Account 370.10 – Meters – AMI

This is a new subaccount, containing AMI meters. FPL proposed a curve of R2.5, an ASL of 20 years, and (55) percent net salvage. OPC proposed a net salvage of (10) percent.

FPL based its curve on the curve for Account 370.00, Meters, and its proposed ASL on the manufacturer's suggested 20-year life. We believe that this is reasonable.

With regard to net salvage, FPL witness Clarke noted that AMI meters are "new and no historical information is available." FPL witness Clarke asserted that there is no reason to use a different net salvage for this account than for Account 370.00, Meters. Therefore, he recommended the same net salvage percent that he recommended for Account 370.00, Meters. OPC argued that its recommendation also relies on its recommendation for Account 370.00, Meters.

At this time, we agree that the net salvage for this account should be the same as the net salvage for Account 370.00, Meters. Therefore, based on the discussion in Account 370.00, Meters, we find that a net salvage of (30) percent is appropriate.

Account 371.00 – Installations on Customer's Premises

FPL proposed a slight curve change, from L1 to L0, an increase in the ASL from 15 to 30 years, and a decrease in net salvage from (15) to (25) percent. None of the intervenors offered any proposal for this account.

Most additions to this account occurred within the last 30 years. Industry lives range from 10 to 30 years, averaging 22 years. According to FPL witness Clarke, the current L1 curve and 15-year life are "low for this type of equipment and within the industry range." We believe that the L0 curve and 30-year ASL are reasonable.

Witness Clarke asserted that the cost of removal increased in the last five to six years, while gross salvage has decreased. According to witness Clarke, the industry range is from 0 to (40) percent. Witness Clarke's proposed decrease in net salvage derives from the last five years. We believe a decrease in net salvage is reasonable; however, a change from (15) to (25) percent is too drastic based on the evidence. We believe that a more moderate change is appropriate. Accordingly, we find that a net salvage of (20) percent is appropriate.

Account 373.00 – Street Lighting and Signal Systems

FPL proposed a change in curve from S-0.5 to R0.5, an increase in the ASL from 20 to 30 years, and an increase in net salvage from (35) to (20) percent. OPC proposed an L0 curve with a 35-year life.

OPC witness Pous asserted that his curve fitting technique is a better fit through the first 10.5 years. As discussed above, we believe that FPL's curve fitting technique is appropriate; therefore, we will use the R0.5 curve.

OPC argued that FPL "failed to consider the technological changes" that have occurred to this account's investment. OPC witness Pous asserted that the changes in technology in this account have led to shorter ASLs (for existing plant). Therefore, according to witness Pous, OPC's recommended 35-year life is a "conservative estimate at this point in time," because FPL has not identified any new technologies. According to FPL witness Clarke, FPL did not identify any changes in the near future; therefore, witness Clarke asserted that he did not believe that OPC had a "valid basis" for its prediction. We do not believe the record supports an increase in the ASL from 20 to 35 years. Therefore, we believe that a 30-year ASL is appropriate.

Account 390.00 – Structures and Improvements

FPL proposed a change in curve from S1 to R1.5, an increase in the ASL from 38 to 50 years, and a decrease in net salvage, from 0 percent to (10) percent. OPC proposed an L0 curve, an increase in the ASL to 56 years, and an increase in net salvage from 0 to 25 percent.

OPC witness Pous contended that his curve is a better fit through the first 10.5 years of life. As discussed above, we believe that FPL's curve fitting technique is appropriate; therefore, we will use the R1.5 curve.

OPC argued that its proposal to increase the ASL to 56 years is "conservative." According to OPC witness Pous, FPL "understates the realistic and reasonable ASL for this account." Witness Pous contended that because this account contains ten buildings comprising approximately 64 percent of the investment, an ASL longer than FPL's proposed ASL is "well warranted." OPC witness Clarke asserted that the ten buildings "also include ancillary components such as roofs, air conditioning, lighting systems, etc." We agree that the ASL should be increased and we believe that an increase to 50 years is moderate and supportable.

With regard to net salvage, OPC argued that over 40 percent of the investment is in FPL's two largest office complexes, and that the trend in commercial real estate is capital appreciation, not depreciation. OPC witness Pous asserted that the negative net salvage derives from retirements of building components, such as roofs. FPL witness Clarke asserted that assets such as roofs are what FPL expects to retire in the future. Witness Clarke contended that "substantial appreciation" in real estate has not occurred in Florida since 2005. Witness Clarke also asserted that if FPL were to retire any of these buildings, they would "probably be worthless as-is, without improvements." Only the land would have value, according to witness Clarke; however, the land is owned by shareholders who do not receive return of their capital through rates. We believe that FPL makes a more persuasive case; however, FPL's view of the net salvage for this account is unnecessarily bleak. Accordingly, we approve a net salvage of (5) percent.

Account 392.10 – Transportation – Automobiles

FPL proposed a small change in the curve, from L3 to L2, a decrease in average service life from eight to six years, and an increase in net salvage from 10 to 15 percent. None of the intervenors offered a proposal for this account.

According to FPL witness Clarke, FPL personnel "mentioned the lives of automobiles were getting shorter in recent years," and Company records confirmed that, showing "automobiles were sold after 6 years." Also, according to witness Clarke, the cost of removal is 0 while salvage is "around 15 percent," representing an increase in salvage. We believe that the L2 curve, and six-year ASL are appropriate, and we find that a 15 percent net salvage is reasonable.

Account 392.20 – Transportation – Light Trucks

FPL proposed a change in curve from S3 to L3, no change in the nine-year ASL, and no change to the 15 percent net salvage. None of the intervenors offered a proposal for this account.

FPL witness Clarke's actuarial analysis resulted in lives of around eight and one half to nine years. FPL personnel confirmed that eight to nine years is the life for light trucks. According to witness Clarke, the curve "should be changed to reflect the life analysis results." Witness Clarke asserted that although the gross salvage showed a "slight increase," the net salvage (cost of removal is 0) should remain at 15 percent because the increase may result from "one year of suspect data."

After reviewing the salvage data, we agree that the indicated increase in salvage may be the result of bad data. Even if the increase is not because of bad data, it is premature to increase the net salvage. Therefore, we believe that the L3 curve, and nine-year ASL are appropriate, and we find that a 15 percent net salvage is reasonable.

Account 392.30 – Transportation – Heavy Trucks

FPL proposed no change in the S3 curve, an increase in the ASL from 11 to 12 years, and an increase in net salvage from 10 percent to 15 percent. None of the intervenors offered a proposal for this account.

FPL witness Clarke based his increased life proposal on both actuarial analysis and information from FPL personnel. According to witness Clarke, a salvage analysis showed increasing salvage and no cost of removal. We believe that it is reasonable to retain the S3 curve, and to increase the ASL to 12 years, and we find that it is appropriate to increase the net salvage to 15 percent.

Account 392.40 – Transportation – Tractor Trailers

FPL proposed a change in curve from S2 to L2.5, a decrease in the ASL from 11 to nine years, and a decrease in net salvage from 15 to 0 percent. None of the intervenors offered a proposal for this account.

According to witness Clarke, actuarial analysis showed a nine-year life, which was confirmed by FPL personnel. Witness Clarke asserted that an L2.5 curve and a nine-year life "better reflect [the] life analyses." No cost of removal or gross salvage has been recorded for this account since 2000; therefore, witness Clarke recommended a net salvage of 0 percent.

We believe that the L2.5 curve and a nine-year ASL are reasonable. We find that decreasing the net salvage from 15 to 0 percent is appropriate since there has not been any cost of removal or gross salvage recorded since 2000.

Account 392.90 – Transportation – Trailers

FPL proposed a small change in the curve, from L2 to L1, an increase in the average service life from 18 to 20 years, and a decrease in net salvage from 30 to 15 percent. None of the intervenors offered any proposal for this account.

According to FPL witness Clarke, FPL personnel informed him that these trailers last between 15 to 25 years. The actuarial analysis showed lives of about 20 years, with a low order curve. We believe that an L1 curve and ASL of 20 years are reasonable.

Witness Clarke's net salvage proposal stems from an analysis that showed "very little salvage and no removal costs being recorded in the past few years." Witness Clarke averred that the "estimate of 30 percent net salvage is too high and should be decreased." We note that gross salvage has varied widely since 2001. We believe it is premature to reduce the net salvage; therefore, we approve a 30 percent net salvage.

Account 396.10 – Power Operated Equipment – Transportation

FPL proposed a small change in curve, from L0 to L0.5, an increase in the ASL from nine to 10 years, and no change in the 20 percent net salvage. None of the intervenors offered any proposal for this account.

FPL witness Clarke proposed the increase in the ASL based on the actuarial analysis and information from FPL personnel. Witness Clarke testified that there is no cost of removal; however, gross salvage data "does not look good for [the] last five years." Prior to the last five years, gross salvage averaged around 20 percent. Witness Clarke's proposal is to retain the current 20 percent net salvage. We agree that the salvage data is problematic; thus, we find that retaining 20 percent net salvage is reasonable. We also believe that the L0.5 curve and 10-year ASL are reasonable.

Account 396.80 – Other Power Operated Equipment

FPL proposed a change in curve from S1 to L0.5, no change in the nine-year ASL, and no change in the 20 percent net salvage. None of the intervenors offered any proposal for this account.

Witness Clarke proposed the curve change based on his actuarial analysis. According to witness Clarke, no cost of removal or salvage data has been recorded since 2000. Witness Clarke proposed that this account use the same net salvage as Account 396.1, Power Operated Equipment, i.e., 20 percent, "[u]ntil the data is reviewed." The current net salvage for this account is 20 percent. We believe that the L0.5 curve, and nine-year ASL are reasonable. We find that a 20 percent net salvage is reasonable.

Account 397.80 – Communications Equipment – Fiber Optics

FPL proposed no change in the L0 curve, no change in the 10-year ASL, and a decrease in net salvage from five to 0 percent. None of the intervenors offered any proposal for this account.

According to FPL witness Clarke, there was "insufficient data to perform an actuarial life analysis." Witness Clarke noted that the fiber optic equipment in this account was "spun off" in 2000; the remaining investment is the electronics equipment. Therefore, witness Clarke recommended no change in the curve or average service life. Witness Clarke asserted that the data for the salvage analysis is "erratic and missing many years." He recommended ignoring the salvage data and using 0 percent net salvage "until data is revised."

After reviewing the cost of removal and salvage data, we agree with witness Clarke that the data should be ignored. We agree with FPL's proposal; therefore, the net salvage shall be reduced to 0 for this account. We believe that it is reasonable to retain the L0 curve and 10-year ASL.

3. Amortizations

General Accounts

Pursuant to Rule 25-6.04361(5)(f), F.A.C., certain General Plant Accounts may use an amortization schedule. FPL proposed to amortize these accounts in accordance with the rule. Under FPL's proposal, there will be no change to the depreciation accrual. None of the intervenors offered a proposal for these accounts. The approved amortizations are shown in Table 4:

Table 4: General Account Amortizations

Account No.	Account Name	Amortization Period (Years)
391.10	Office Furniture	7.0
391.20	Office Accessories	5.0
391.30	Office Equipment	7.0
391.40	Duplicating & Mailing Equipment	7.0
391.50	EDP Equipment	5.0
391.70	PC Equipment (ECCR)	3.0
391.90	Personal Computer Equipment	3.0
392.70	Transportation Equipment – Marine	5.0
393.10	Stores Equipment – Handling Equipment	7.0
393.20	Stores Equipment – Storage Equipment	7.0
394.20	Shop Equipment – Portable Handling	7.0
395.20	Lab Equipment – Portable	7.0
395.60	Laboratory Testing Equipment (LMS)	5.0
397.20	Communications Equipment – Other 7-Yr Amrt	7.0
397.30	Communications Equipment – Official	7.0
397.40	Communication Equipment (ECCR)	5.0
398.00	Miscellaneous Equipment	7.0

Other Accounts

Pursuant to Order No. PSC-05-0902-S-EI, issued on September 14, 2005, in Docket No. 050188-EI, four other amortizations were permitted. The other amortizations are contained in Table 5:

Table 5: Amortizations for Other Accounts

Account No.	Account Name	Amortization Period (Years)
362.90	Substation Equipment – LMS	5.0
367.50	UG Conduct & Dev., Cable Injection–20+ Years	29.0(*)
367.90	UG Conduct & Dev., Cable Injection–10 Years	10.0
371.20	Residential Load Management	5.0

*Per Order No. PSC-94-1199-FOF-EI, issued on September 30, 1994, in Docket No. 931231-EI, the 20-year guaranteed cable injection is to be recovered over the remaining life of the cable. The remaining life shown is the approved remaining life.

In this proceeding, FPL proposed to continue using the previously-approved amortizations. None of the intervenors offered any proposal for these accounts. The only change to the depreciation accrual will be for Account 367.50, which, by our prior order, is tied to the remaining life of the cable. Therefore, we approve the amortizations contained in Tables 4 and 5.

In conclusion, we approve the remaining life, net salvage percent, allocated reserve percent, amortizations, and resulting rates for each transmission, distribution, and general plant account contained in Table 6, on the following pages.

Table 6: Transmission, Distribution, and General Plant Depreciation Components and Resulting Rates

Account Number and Description	COMMISSION APPROVED Average Remaining Life (yrs.)	Net Salvage (%)	Theoretical Reserve (%)	Remaining Life Rate (%)
TRANSMISSION PLANT				
350.2 Easements	58	0.00	22.67	1.3
352.0 Structures & Improvements	47	(15.00)	24.92	1.9
353.0 Station Equipment	29	(2.00)	28.05	2.6
353.1 Station Equipment - Step-Up	25	0.00	28.57	2.9
354.0 Towers & Fixtures	34	(15.00)	39.81	2.2
355.0 Poles & Fixtures	33	(50.00)	37.50	3.4
356.0 OH Conductors & Devices	35	(50.00)	38.30	3.2
357.0 Underground Conduit	40	0.00	33.33	1.7
358.0 Undg. Conductors & Devices	40	(10.00)	36.67	1.8
359.0 Roads & Trails	47	(10.00)	30.46	1.7
DISTRIBUTION PLANT - DEPRECIABLE				
361.0 Structures & Improvements	50	(15.00)	19.17	1.9
362.0 Station Equipment	33	(10.00)	25.58	2.6
364.0 Poles, Towers & Fixtures	27	(60.00)	49.23	4.1
365.0 Overhead Conductors & Devices	30	(60.00)	42.93	3.9
366.6 Undg. Conduit, Duct	59	(2.00)	16.03	1.5
366.7 Undg.Conduit, Direct Buried	40	0.00	20.00	2.0
367.6 Undg. Conductors & Devices, Duct	29	0.00	23.68	2.6
367.7 Undg. Conductors & Devices, Buried	18.4	0.00	47.43	2.9
368.0 Line Transformers	22	(25.00)	41.67	3.8
369.1 Services, Overhead	36	(85.00)	46.25	3.9
369.7 Services, Underground	26	(5.00)	33.16	2.8
370.0 Meters	24	(30.00)	43.33	3.6
370.1 AMR Meters	19.2	(30.00)	5.20	6.5
371.0 Installations on Customer's Premises	22	(20.00)	32.00	4.0
373.0 Street Lighting & Signal Systems	22	(20.00)	32.00	4.0
GENERAL PLANT - DEPRECIABLE				
390.0 Structures & Improvements	36	(5.00)	29.40	2.1
392.1 Transportation - Automobiles	3	15.00	42.50	14.2
392.2 Transportation - Light Trucks	4.6	15.00	41.56	9.4
392.3 Transportation - Heavy Trucks	5	15.00	49.58	7.1
392.4 Transportation - Tractor-Trailers	2.6	0.00	71.11	11.1
392.9 Transportation - Trailers	11.9	30.00	28.35	3.5
396.1 Power Operated Equipment (Transp.)	6.3	20.00	29.60	8.0
396.8 Other Power Operated Equipment	5.2	20.00	33.78	8.9
397.8 Commun. Equipment - Fiber Optics	7.7	0.00	23.00	10.0

Table 6: Amortization Items

Account Number and Description	COMMISSION APPROVED			
	Average Remaining Life	Net Salvage	Theoretical Reserve	Remaining Life Rate
	(yrs.)	(%)	(%)	(%)
DISTRIBUTION - AMORTIZABLE				
362.9 Substation Equipment - LMS	5 Year Amortization			
367.5 UG Cable Injection - 20+ Year	29 Year Amortization			
367.9 UG Cable Injection - 10 year	10 Year Amortization			
371.2 Residential Load Management	5 Year Amortization			
GENERAL PLANT - AMORTIZABLE				
391.1 Office Furniture	7 Year Amortization			
391.2 Office Accessories	5 Year Amortization			
391.3 Office Equipment	7 Year Amortization			
391.4 Duplicating & Mailing Equipment	7 Year Amortization			
391.5 EDP Equipment	5 Year Amortization			
391.7 PC Equipment (ECCR)	3 Year Amortization			
391.9 Personal Computer Equipment	3 Year Amortization			
392.7 Transportation Equip. - Marine	5 Year Amortization			
393.1 Stores Equip. - Handling Equip.	7 Year Amortization			
393.2 Stores Equip. - Storage Equipment	7 Year Amortization			
394.2 Shop Equip. - Portable Handling	7 Year Amortization			
395.2 Lab Equipment - Portable	7 Year Amortization			
395.6 Lab. Testing Equip. (LMS)	5 Year Amortization			
397.2 Comm. Equip. - Other 7-Yr Amort	7 Year Amortization			
397.3 Comm. Equipment - Official	7 Year Amortization			
397.4 Communication Equip. (ECCR)	5 Year Amortization			
398.0 Miscellaneous Equipment	7 Year Amortization			

Reserve Imbalance

The theoretical reserve is the calculated balance that would be in the reserve if the life and salvage estimates now considered appropriate had always been applied. The book reserve is the amount actually recovered to date. The difference between the theoretical reserve and the book reserve is a reserve imbalance. If the calculated theoretical reserve is more than the book reserve, the imbalance is a reserve deficit. If the calculated theoretical reserve is less than the book reserve, the imbalance is a reserve surplus.

Applying its proposed depreciation life and salvage parameters, FPL calculated a reserve surplus of $1.245 billion. OPC calculated a reserve surplus of $2.75 billion based on its proposed depreciation formula. The formula for the prospective theoretical reserve is provided in Rule 25-6.0436(4)(k), F.A.C. Using this formula and the life and salvage components approved above, we calculate a reserve surplus of $1,208.8 million, as shown in Table 7 below:

Table 7: Reserve Imbalance	
	($000,000)
Steam Production	353.1
Nuclear Production	127.0
Other Production	119.6
Transmission	12.1
Distribution	555.6
General	41.4
Total Reserve Imbalance	1,208.8

Corrective reserve measures

Having determined above that there is a theoretical reserve surplus, the parties asked us to determine what, if any, corrective measures should be taken. The crux of the parties' dispute was whether the reserve imbalance should be corrected over the remaining life of the assets or over a shorter period of time. FPL argued that the surplus should be addressed through the remaining life rate design of its plant (22 years), rather than "accelerating" the recovery over a short period of time as suggested by the intervenors. FPL contended that the remaining life approach to resolve reserve imbalances is the norm and there is no reason to deviate. OPC, FIPUG, and FRF asserted that the magnitude of the reserve imbalance warranted a corrective approach shorter than the normal remaining life depreciation approach. SFHHA did not address the magnitude of the surplus, but asserted that it should be amortized over a short period of time.

FPL argued that a short amortization of the reserve surplus would have "the direct and unavoidable effect of rapidly increasing rate base, the required return on rate base, and future depreciation expense – all of which will have to be borne by future customers." FPL suggested that a middle path would be to transfer a portion of the reserve surplus to offset the expenses associated with its proposed capital recovery schedules. FPL argued that this action could provide "a measure of shorter-term relief for customers without doing as much damage to regulatory practices and future customers' pocketbooks." AIF supported FPL's position.

While OPC witness Pous calculated a reserve surplus of $2.75 billion using his proposed life and salvage values, he recommended that only FPL's identified reserve surplus of $1.25 billion be amortized over four years. OPC and FIPUG proposed that $314.3 million of FPL's reserve surplus should be first applied to offset the unrecovered costs associated with FPL's proposed capital recovery schedules for near-term retirements. OPC asserted that a four year amortization of the remaining balance of $894.6 million would reduce test year depreciation expense, thereby lowering FPL's revenue requirements. OPC submitted that amortizing the reserve surplus represented the most appropriate remedy to eliminate the intergenerational inequity the surplus created. FRF supported the OPC position that $1.25 billion of the reserve surplus be amortized over four years. SFHHA suggested that we require FPL to amortize its calculated reserve surplus of $1.245 billion over a five-year period. SFHHA asserted that the calculated surplus demonstrated that FPL's past depreciation rates were excessive, considering present expectations regarding depreciation parameters.

FIPUG witness Pollock proposed a slightly different approach to correct the remaining $894.6 million surplus. The witness proposed that FPL continue to record the $125 million annual credit to depreciation expense until the next depreciation study review.

Amortization of the reserve surplus will serve to decrease the reserve over the amortization period, thus increasing rate base. At the time of FPL's next depreciation review, its reserve positions will be lower, thereby resulting in higher depreciation rates, all other things remaining equal. Indeed, OPC recognized that depreciation rates in the instant proceeding are higher due to the lower reserve position resulting from the $500 million depreciation credit the Company recorded during the years 2005-2009, in accord with the 2005 Settlement Order. However, as noted by witness Pous, FPL's calculated theoretical reserve is lower by $500 million.

OPC argued that a reserve imbalance violated the matching principle.[25] The intervenors claimed that the existence of FPL's reserve imbalance indicates that past and current customers have paid more than their fair share of depreciation expenses and that future customers will therefore pay less than their fair share. In contrast, FPL contended that intergenerational inequity concerns are mitigated by the fact that customer rates were not increased during the time when the reserve surplus accumulated.

OPC contended that whether the remaining life methodology was adequate to address reserve imbalances depended on the magnitude of the imbalance and the time frame over which it would be corrected. The relative adequacy of the reserve causes the remaining life rate formula to self-adjust for historic over- or under-recovery, as well as for changes in projected life or salvage parameters. A reserve imbalance indicates a failure of the matching principle. The

[25] The matching of the period of time over which depreciation expense is collected with the service life of the group of assets is called the matching principle. Customers benefitting from the assets should be those who pay for the assets.

depreciation expenses of the past were misstated, so correction should be made now to reduce the misstatement into the future. Correction of the imbalance will result in a return to the matching principle. In this case, OPC argued that FPL's reserve imbalance was so great that recovery over the remaining life (22 years) was inadequate.

We believe that the very presence of a reserve imbalance indicates the existence of intergenerational inequity. Based on what is known today, the life estimates of yesterday are now viewed as being too short. FPL has lengthened the life span estimates for its production plants. Net salvage estimates have changed. This does not mean however, that past life and salvage estimates were wrong. Disregarding the fact that settlements were reached in 2002[26] and 2005[27] that addressed depreciation and many other matters, the last time this Commission actually conducted a thorough review and analysis of FPL's depreciation parameters was in Order No. PSC-99-0073-FOF-EI, issued January 8, 1999, in Docket No. 971660-EI, In re: 1997 depreciation study by Florida Power & Light Company. Conditions, Company plans, and regulatory requirements change. OPC witness Pous acknowledged that depreciation parameters change over time simply because depreciation is a projection of anticipated events in the future. FRF recognized in its brief that in a depreciation study review, a goal has been to align the actual and theoretical reserve positions for all accounts.

We agree with FPL witness Deason and OPC witness Pous that it is unlikely there would ever be a time when there is no reserve imbalance, simply because as time passes, more information is known and better estimates of life and salvage can be determined. However, that is not a reason to defer taking some action to correct reserve imbalances, where possible, either through reserve transfers or an amortization. The magnitude of the reserve imbalance should also dictate what action is taken. The matching principle argues for a quick correction of any surplus; the quicker the better so that the ratepayers who may have overpaid would have a chance of benefitting.

We agree with FPL that current and future customers will receive the benefit of the existing reserve surplus through lower depreciation rates. If the reserve surplus is reduced, the depreciation reserve will increase, thereby, all things remaining equal, causing depreciation rates and future revenue requirements to naturally increase.[28] At the present time, it can be argued that the current reserve surplus results in prospective depreciation rates that are artificially low. This is the beauty or the beast of the remaining life rate methodology. A surplus means that under present expectations more than enough has been recovered, so there is a smaller amount left to be recovered over the average remaining life. Conversely, the presence of a reserve deficit means that not enough has been recovered to date, so the depreciation rate must increase to make up the difference in the future.

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[26] Order No. PSC-02-0501-AS-EI, issued April 11, 2002, in Docket Nos. 001148-EI, In re: Review of the retail rates of Florida Power & Light Company, and 020001-EI, In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. (2002 Settlement)

[27] Order No. PSC-05-0905-S-EI, issued September 14, 2005, in Docket Nos. 050045-EI, In re: Petition for rate increase by Florida Power & Light Company, and 050188-EI, In re: 2005 comprehensive depreciation study by Florida Power & Light Company. (2005 Settlement)

[28] About $300 million of FPL's current base rate increase is due to the $125 million annual depreciation expense credit that was recorded in accord with the 2005 FPL Rate Case Settlement Order.

The remaining life rate typically carries the burden of correcting any reserve imbalance. A significant reserve imbalance can distort resulting depreciation rates. For example, an account with a 40-year average service life, 20-year average remaining life, zero percent net salvage, and 80 percent reserve would result in an average remaining life rate of 1.0 percent. This is due to the fact that the reserve should theoretically be 50 percent rather than 80 percent. The surplus in the reserve results in a remaining life depreciation rate being lower than it otherwise would be to correct the surplus over the remaining life. If the account reserve is restated to its theoretically correct level, the resulting depreciation rate is 2.5 percent. Thus, the presence of the reserve surplus depresses the resulting depreciation rate from 2.5 percent to 1.0 percent. The more significant the reserve surplus, the more depressed the resulting remaining life rate will be.

The intervenors contended that our past orders support a position that reserve imbalances have historically been recovered over a period of time that is shorter than the average remaining life. FPL, on the other hand, contended that the orders referenced by the intervenors are not applicable to FPL's circumstances. FPL witness Davis also asserted that none of the actions in the referenced orders had any impact on customer rates.

In the 1990s, we allowed FPL to record additional depreciation expense to reduce the potential for stranded investments. In 1995, we authorized FPL to record $126 million in additional depreciation expenses to the reserve for nuclear production. Also, for 1996 and 1997, we permitted FPL to record an additional $30 million in expense to the reserve for nuclear production, and to record an additional depreciation expense based on differences between actual and forecasted revenues.[29] We allowed FPL to continue the recording of these additional expenses in 1998 and 1999 by Order No. PSC-98-0027-FOF-EI.[30] We found that it was good regulatory policy to eliminate these types of items when the funds are available to do so without raising customer rates.

Subsequently, in the FPL 1999 Revenue Sharing Agreement approved by Order No. PSC-99-0519-AS-EI, we granted FPL, among other things, the discretion to record up to $100 million of additional depreciation expense each year of the three-year settlement period to reduce nuclear and/or fossil production plant in service.[31] As part of this settlement, customer rates were reduced by $350 million and a revenue cap and revenue sharing plan was established.

As a result of the FPL 2002 Settlement, approved in Order No. PSC-02-0501-AS-EI, FPL received the discretionary ability to record a depreciation expense credit of up to $125 million annually for 2002-2005.[32] The amounts recorded first went to offset the $170.3 million bottom

[29] Order Nos. PSC-95-0672-FOF-EI, issued May 31, 1995, and PSC-96-0461-FOF-EI, issued April 2, 1996, in Docket No. 950359-EI, In re: Petition to establish amortization schedule for nuclear stranded investment by Florida Power & Light Company.
[30] Order No. PSC-98-0027-FOF-EI., issued January 5, 1998, in Docket No. 970410-EI, In re: Proposal to extend plan for recording of certain expenses for years 1998 and 1999 for Florida Power & Light Company.
[31] Order No. PSC-99-0519-AS-EI, issued March 17, 1999, in Docket No. 990067-EI, In re: Petition by the Citizens of the State of Florida for a full revenue requirements rate case for Florida Power & Light Company.
[32] Order No. PSC-02-0501-AS-EI, issued April 11, 2002, in Docket Nos. 001148-EI, In re: Review of the retail rates of Florida Power & Light Company, and 020001-EI, In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. (2002 Settlement)

line amortization recorded pursuant to Order No. PSC-99-0519-AS-EI, with any additional amounts recorded to a bottom line reserve to be allocated to specific accounts in the next FPL depreciation study after the term of the settlement. Among other things, the settlement reduced FPL's customer rates by $250 million and continued a revenue cap and revenue sharing plan. FPL acknowledged that it had overdepreciated its plant and a depreciation expense credit offered through the settlement would help correct the situation.

In the 2005 Settlement Order, FPL was again authorized to amortize up to $125 million annually as a credit to depreciation expense and a debit to the bottom line depreciation reserve for years 2006-2009.[33] FPL recorded $500 million in accord with the agreement.

FRF argued in its brief that our declared policy with respect to reserve imbalances is to correct them as soon as possible without adversely impacting a company's ability to earn a fair and reasonable return.[34] FRF noted that we have also targeted overearnings in the past to book additional depreciation expense, thereby lowering reported earnings and bringing them in line with the allowed rate of return. In the instant proceeding, we are setting a new rate of return for FPL. In deciding whether to amortize the reserve imbalance as the intervenors proposed, we should also consider any negative impacts such an amortization would have on FPL's financial integrity.

OPC's proposed adjustment to address the reserve imbalance would reduce FPL's revenue requirement by approximately $311 million per year. Because rate base would be higher as a result of this adjustment, the reduction to FPL's cash flow would be offset by approximately $20 million of additional return earned on this incremental rate base. Thus, the net impact of the proposed adjustment would be a reduction to cash flow of approximately $291 million.

FRF asserted that OPC's proposed amortization would not deny FPL recovery of any capital dollars, but would only affect the timing of the collection of those dollars. Further, FRF argued that OPC's proposed amortization would not affect FPL's earnings or earned rate of return. FRF stated that metrics used to analyze financial integrity generally include measures of debt, cash flow, and interest coverage requirements.

FRF asserted that the coverage ratios (the number of times FPL's generated cash flow covers debt service) were important indicators of financial integrity. FRF stated that FPL's financial strength is such that FPL's cash flow would be sufficient to amortize $1.25 billion of the reserve surplus identified by OPC witness Pous and maintain coverage ratios that warrant an "A" rating by Standard & Poors (S&P).

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[33] Order No. PSC-05-0905-S-EI, issued September 14, 2005, in Docket Nos. 050045-EI, In re: Petition for rate increase by Florida Power & Light Company, and 050188-EI, In re: 2005 comprehensive depreciation study by Florida Power & Light Company. (2005 Settlement)

[34] Order No. PSC-01-2270-PAA-EI, issued November 19, 2001, in Docket No. 060699-EI, In re: Request for approval of implementation date of January 1, 2002, for new depreciation rates for Marianna Electric Division by Florida Public Utilities, p. 2.

The financial metrics affected by the proposed adjustment are the cash from operations to interest ratio (CFO/Interest) and the cash from operations to debt ratio (CFO/Debt). The debt to total capital ratio is unaffected by the proposed adjustment. FPL's corporate credit rating is single A flat from S&P, single A1 from Moody's Investor Service (Moody's), and single A flat from Fitch Ratings (Fitch). Pursuant to S&P's rating methodology, FPL's business profile is rated as excellent and its financial profile is rated as intermediate. Based on these designations, the ratings criteria published by S&P and Moody's for FPL's current credit ratings include the following cash flow metric standards.

Table 8

	S&P A rating	Moody's A rating
CFO/Interest	3.0x – 4.5x	4.5x – 6.0x
CFO/Debt	25% – 45%	22% – 30%

OPC witness Lawton testified that, while the proposed adjustment to address the reserve imbalance will decrease FPL's cash flow metrics, he did not believe it will harm the Company's financial integrity. Witness Lawton demonstrated that FPL's CFO/Interest ratio will decrease from 6.7x to 5.9x and the Company's CFO/Debt ratio will decrease from 45 percent to 40 percent. That said, this analysis does not take into account additional adjustments that will impact cash flow. However, witness Lawton argued that even if all of OPC's proposed adjustments were made, there is no basis to conclude that FPL's credit rating would fall below investment grade. FPL witness Pimentel agreed that even a two-notch downgrade for FPL would still result in a triple B plus rating, which would remain firmly investment grade. Moreover, none of the rating agencies have indicated that they would downgrade FPL's credit rating even if we denied the entire rate increase.

In this case, FPL's net reserve imbalance is a $1.2 billion surplus. The reserve surplus is of such a magnitude that its existence results in abnormal depreciation rates. Where significant reserve surpluses and deficits exist, corrective reserve transfers between accounts or amortization of the reserve imbalance should be considered. Whether the reserve imbalance is a surplus or a deficit, it violates the matching principle and represents a subsidy, and thus should be corrected.

As mentioned above, we calculated a theoretical reserve for each account within each production unit, and each transmission, distribution, and general plant account. Comparing the theoretical reserve to the book reserve resulted in various account surpluses and deficits that we netted to a bottom-line reserve surplus amount of $1.2 billion. As a result of this netting, each account's reserve is placed at its theoretically correct position. The theoretically correct reserve position is reflected in the depreciation rates contained in Table 3 and Table 6 above.

FPL, FIPUG, and OPC suggested that we transfer a portion of the reserve surplus to offset the expenses associated with its proposed capital recovery schedules. We agree. Accordingly, $314.2 million of the reserve surplus shall be transferred to offset the unrecovered costs associated with FPL's proposed capital recovery schedules. This reduces the reserve imbalance to an $894.6 million surplus.

FPL argued that amortization of the remaining reserve surplus over any time period other than the remaining life results in intergenerational unfairness to the ratepayers of yesterday versus those of tomorrow. OPC, on the other hand, argued that the existence of a reserve imbalance indicates that there are intergenerational inequities in that current and past customers paid more than they should have, thereby subsidizing future customers. We agree with OPC's position that intergenerational unfairness already exists, as witnessed by the existence of such a significant reserve imbalance. Therefore, we are of the opinion that amortizing the remainder of the reserve surplus is the most appropriate remedy to eliminate the intergenerational inequity the surplus created. The only question remaining is how long it should take to correct the situation.

Accordingly, we find that the remaining reserve surplus amount of $894.6 million shall be amortized over a four-year period. This is consistent with our policy with respect to reserve imbalances, which has been to correct them as soon as possible without adversely impacting the company's ability to earn a fair and reasonable return.[35] We find that there is substantial evidence in the record to show that the company's ability to earn a fair and reasonable return will not be adversely affected. Furthermore, our decision is consistent with past orders in which we have amortized reserve imbalances over periods shorter than the remaining life.[36] And we note that we will be reviewing FPL's depreciation reserve again when FPL files its next depreciation study.

In conclusion, each account's book reserve shall be brought to its calculated theoretically correct level. Of the $1,208.8 million bottom-line reserve surplus, $314.2 million shall be used to offset the unrecovered costs associated with the capital recovery schedules of near-term retiring investments. The remaining reserve surplus of $894.6 million shall be amortized over a 4-year period, beginning January 1, 2010. As part of FPL's next depreciation study, to be filed no later than March 16, 2013, FPL's reserve position will be reviewed and assessed for any other necessary action.

Implementation date for revised depreciation rates, capital recovery schedules and amortization schedules

FPL proposed an implementation date of January 1, 2010. All the parties, except SFHHA, agreed with FPL's proposed implementation date. SFHHA argued that the implementation date for revised depreciation rates, capital recovery schedules, and amortization schedules should correspond with the implementations of rates resulting from this proceeding. We disagree with SFHHA's proposed implementation date. The implementation date for the

[35] Order No. PSC-01-2270-PAA-EI, issued on November 19, 2001, in Docket No. 010699-EI, In re: Request for approval of implementation date of January 1, 2002, for new depreciation rates for Marianna Electric Division by Florida Public Utilities, p. 2.

[36] Order No. PSC-96-0461-FOF-EI, issued on April 2, 1996, in Docket No. 950359-EI, In Re: Petition to establish amortization schedule for nuclear generating units to address potential for stranded investment by Florida Power & Light Company; Order No. PSC-06-0307-FOF-TP, issued April 20, 2006, in Docket No. 041269-TP, In re: Petition to establish generic docket to consider amendments to interconnection agreements resulting from changes in law, by BellSouth Telecommunications, Inc.; and Order No. PSC-98-1723-FOF-EI, issued on December 18, 1998, in Docket No. 971570-EI, In re: 1997 Depreciation Study by Florida Power Corporation.

revised depreciation rates, capital recovery schedules, and amortization schedules shall be January 1, 2010, because FPL data and related calculations abut the January 1, 2010 date.

FOSSIL DISMANTLEMENT COST STUDY

Annual dismantlement provision

FPL's 2008 fossil dismantlement study filed in this proceeding indicates there is a need to adjust FPL's current annual fossil dismantlement accrual, which is currently set at $15,321,113. The current dismantlement study represents an update of FPL's base dismantlement costs, contingency, and inflation forecasts. FPL contends an annual accrual of $20,180,368 is required to meet its fossil dismantlement needs. We analyze and critique FPL's 2008 fossil dismantlement study below.

The current-approved annual dismantlement provision shall be revised to reflect the Company's updated base cost estimates of dismantlement, inflation rates, and contingency costs. Any revised annual fossil dismantlement accrual shall take effect January 1, 2010. Table 9 on the following page details FPL's fossil dismantlement cost by plant site.

Table 9

FOSSIL DISMANTLEMENT COST ESTIMATES		
	2007 Study Current Costs	**2008 Study Current Costs**
	($)	**($)**
Cape Canaveral	12,953.491	16,642,848
Cutler	8,035,610	10,424,803
Fort Lauderdale	18,956,572	25,524,535
Ft. Myers	22,877,762	29,598,540
Manatee	53,698,856	65,118,814
Martin	57,337,705	76,887,456
Port Everglades	52,594,168	61,149,529
Putnam	9,403,254	11,146,862
Riviera	13,583,544	15,070,232
Sanford	28,650,916	35,681,288
Scherer	37,391,063	43,744,940
St. Johns River Power Park	19,548,345	24,802,975
Turkey Point	18,323,729	25,825,396
West County Energy Center	-	22,707,813
DeSoto Solar	-	1,365,069
Space Coast Solar	-	724,875
St. Lucie Wind Turbines	-	584,770
Total*	**353,355,015**	**467,000,745**

* Cost estimate totals were subject to rounding for some of the plant site/units.

Corrective reserve measures

FPL's 2008 fossil dismantlement study contains proposed adjustments to correct reserve imbalances that exist for certain units. These imbalances arise when there are discrepancies between the actual dismantlement reserve and the theoretical reserve indicated in the dismantlement study. FPL proposed that reserve surpluses for the Cape Canaveral and Riviera plants be transferred to the Cutler, Manatee, Martin, Port Everglades, Sanford, Scherer, St. Johns River and Turkey Point plants. Although FPL did not file updated reserve transfers, we were able to calculate the appropriate transfer amounts, which are shown in Table 10, including the companies updated inflation figures.

We have consistently approved reserve transfers in fossil dismantlement studies. FPL's last reserve transfers were approved by Order No. PSC-08-0095-PAA-EI, issued on February 14, 2008, in Docket No. 070378-EI, In Re: Petition for approval of revised fossil dismantlement accrual by Florida Power & Light Company. We have reviewed FPL's proposed reserve transfers, and consistent with our precedent, we believe they are reasonable. However, FPL's dismantlement cost estimates shall be updated to reflect the February 2009 Global Insight inflation forecasts. Accordingly, we approve the corrective reserve reallocations shown in Table 10 below.

Table 10

THEORETICAL RESERVE RE-ALLOCATIONS FOR JANUARY 1, 2010				
Site	**Actual Reserves December 31, 2009**	**Theoretical Reserves**	**Reserve Transfers**	**Restated Reserve for 1/1/2010**
Cape Canaveral	$17,654,087	$16,970,239	$(1,269,977)	$16,384,110
Cutler	11,429,097	13,168,448	144,749	11,573,846
Manatee	36,930,092	46,480,891	794,816	37,724,908
Martin	35,623,068	39,988,999	363,331	35,986,399
Port Everglades	54,604,976	74,237,570	1,301,674	55,906,650
Riviera	18,943,435	15,349,799	(3,593,636)	15,349,799
Sanford	5,987,502	6,267,665	23,315	6,010,817
Scherer	30,939,801	42,933,155	998,085	31,937,886
St. Johns River	18,825,872	27,761,363	743,609	19,569,481
Turkey Point	17,216,106	23,152,609	494,034	17,710,140
Total Reserves*	**$248,154,036**	**$306,310,738**	**$0**	**$248,154,036**

* Reserve transfers were subject to rounding for some of the plant site/units.

Annual provision for dismantlement

By Order No. 24741,[37] we established the methodology for accruing the costs for dismantlement of fossil-fueled production plants. The methodology, codified in Rule 25-6.04364, F.A.C., is dependent on three factors: estimated base costs for dismantlement, projected inflation, and a contingency factor. Electric companies are required to file site-specific dismantlement studies at least once every four years from the submission date of the previous study unless otherwise required by Commission order.

FPL filed its last updated dismantlement cost study with associated annual accrual proposals in 2007. We approved this study and associated fossil dismantlement accruals by Order No. PSC-08-0095-PAA-EI.[38] In this order, we also directed FPL to file its next fossil fuel dismantlement study concurrently with its comprehensive depreciation study on or about March 17, 2009.

[37] Order No. 24741, issued July 1, 1991, in Docket No. 890186-EI, In Re: Investigation of the Ratemaking and Accounting Treatment for the Dismantlement of Fossil-Fueled Generating Stations.
[38] Order No. PSC-08-0095-PAA-EI, issued February 14, 2008, in Docket No. 070378-EI, In re: Petition for approval of revised fossil dismantlement accrual by Florida Power & Light Company.

The dismantlement cost estimates in the current study are based on site-specific analysis and reflect an increase of approximately 32 percent from the 2007 cost estimates. The major drivers of the increase in cost include: (1) addition of new plant, (2) increases in the equipment rental component of labor rates, and (3) increased fuel oil tank removal costs. The dismantlement costs for Martin Solar, Desoto Solar, and Space Coast Solar plants will be recovered through the ECRC.

Dismantlement accruals are based on current cost estimates, escalated to future costs of the estimated date of dismantlement. The future costs, less accumulated dismantlement reserves, are discounted over the remaining life of each plant and plant site. We established the methodology for calculating annual accruals for the dismantlement fossil-fueled production plants by Order No. 24741. FPL's fossil dismantlement study as filed contained August 2008 inflation factors and assumed dismantlement of plants will begin five years after retirement. Inflation rates are used to escalate the current costs to the expected future amount that will be needed to pay for dismantlement. We requested, and were provided, updated inflation factors to reflect current market rates. The updated inflation rates are from the February 2009 Global Insight edition.

Our approved levelized annual accrual of $18,468,387 (including solar) is based on FPL's site-specific dismantlement cost estimates and a 16 percent contingency factor, with two modifications. First, we used the February 2009 inflation factors published by Global Insight for 2010 though 2013. Second, our analysis incorporated changes in the retirement dates of certain units in accord with our decisions above. We applied the jurisdictional separation factors for 2010 to the levelized annual accrual of $18,014,571 that excludes the solar units. Our approved retail annual accrual amount for 2010 is $17,660,832 (excluding solar), which reflects an increase of $2,640,568 over the amounts from FPL's last dismantlement study. Our calculations of the retail annual accrual amounts and incremental increase are shown in Table 11. FPL's 2008 site-specific dismantlement costs are shown in Table 12. Accordingly, this change to the fossil dismantlement annual accrual impacts the 2010 and 2011 accumulated depreciation and depreciation expense as set forth below.

Table 11
2010 Projected Test Year – Commission Approved

Functional Description	2007 Current Accrual	Required Increase in Cost of Service	Commission Approved 2010 Annual Accrual
Fossil	$8,966,504	$755,421	$9,741,745
Other Production excluding Solar	$6,354,609	$1,918,216	$8,272,825
Total Excluding Solar	$15,321,113	$2,693,457	$18,014,570
Jurisdictional Separation Factor		98.036379%	98.036379%
Retail Annual Accrual Amounts		$2,640,568	$17,660,832

Table 12

FLORIDA POWER AND LIGHT COMPANY EFFECTIVE ACCRUAL JANUARY 1, 2010			
Plant Site	**2007 Current Annual Accrual****	**Commission Final Approved Annual Accrual**	**Final Change in Annual Accrual**
	($)	($)	($)
Cape Canaveral	434,779	252,203	-182,576
Cutler	216,262	333,801	117,539
Fort Lauderdale	985,269	1,251,191	265,922
Fort Myers	1,161,985	1,317,305	155,320
Manatee	2,255,726	2,559,415	303,689
Martin	2,327,547	2,533,098	205,551
Port Everglades	2,566,987	2,802,360	235,373
Putnam	339,106	405,297	66,191
Riviera	321,232	89,182	-232,050
Sanford	1,374,909	1,493,396	118,487
Scherer	1,755,506	1,634,157	-121,349
St. Johns River Power Park	807,788	869,586	61,798
Turkey Point	774,017	1,111,193	337,176
Martin Solar	0	346,160	346,160
West County Energy Center	0	1,332,348	1,332,348
St Lucie Wind Turbines	0	30,038	30,038
DeSoto Solar	0	72,712	72,712
Space Coast Solar	0	34,944	34,944
Total Dismantlement Provision	***15,321,113**	***18,468,387**	**3,147,274**
Less accrual for solar units recovered through the ECRC clause			453,817
Increase in cost of service due to increase in non-solar dismantlement accrual			***** 2,693,457**

* Annual accruals were subject to rounding for some of the plant site/units.

** Annual accrual per approved by Order No. PSC-08-0095-PAA-EI, issued on February 14, 2008, in Docket No. 070378-EI, In Re: Petition for approval of revised fossil dismantlement accrual by Florida Power & Light Company.

***Net increase in fossil dismantlement accrual.

In conclusion, the appropriate system annual provision for dismantlement is $18,468,387 (including solar), and the retail annual accrual amounts for 2010 is $17,660,832 (excluding solar). This reflects an increase of $2,640,568 over the amounts from FPL's last dismantlement study. These accruals reflect current estimates of dismantlement costs on a site-specific basis, inflation estimates as of February 2009, a 16 percent contingency factor, and changes in retirement dates in accordance with this Order.

Greenfield status

In his testimony, OPC witness Pous objected to the extent of FPL's fossil dismantlement approach. He contended that FPL's dismantlement assumptions "assumed a 100% probability of the worst case scenario, that being full demolition and site restoration." Witness Pous asserted that FPL is not legally required to restore its plant sites to a "greenfield" condition. During cross-examination, FPL witness Ousdahl stated she believed that site restoration in terms of greenfield means "park-like." She cited the Company's dismantlement of its Palatka plant as an instance where site remediation was to greenfield status. AIF supported FPL's position. In its brief, AIF stated that FPL witness Ousdahl clearly described the cost components included in FPL's 2008 fossil dismantlement study. AIF stated that intervenor witnesses Pous and Pollock provided no basis for the disallowance of FPL's 2008 fossil dismantlement study as presented, including site restoration to greenfield status upon retirement.

Rule 25-6.04364, F.A.C., is our dismantlement rule. Of particular interest to this issue are subparts 2 (b) and (c):

> (2)(b) "Dismantlement." The process of safely managing, removing, demolishing, disposing, or converting for reuse the materials and equipment that remain at the fossil fuel generating unit following its retirement from service and restoring the site to a marketable or useable condition.
>
> (2)(c) "Dismantlement Costs." The costs for the ultimate physical removal and disposal of plant and site restoration, minus any attendant gross salvage amount, upon final retirement of the site or unit from service.

We find that FPL's site restoration assumptions in its 2008 study comport with both our rule and Commission precedent in previous dismantlement proceedings. Accordingly, we find that the assumptions FPL made in its 2008 dismantlement study with regards to site restoration site restoration assumptions by definition are reasonable.

Dismantlement studies

By Order No. 24741, issued July 1, 1991, in Docket No. 890186-EI, In Re: Investigation of the Ratemaking and Accounting Treatment for the Dismantlement of Fossil-Fueled Generating Stations (Order No. 24741), we established the methodology for accruing the costs for dismantlement of fossil-fueled production plants. The methodology, codified in Rule 25-6.04364, F.A.C., is dependent on three factors: estimated base costs for dismantlement, projected inflation, and a contingency factor. As explained above, electric companies are required to file site-specific dismantlement studies at least once every four years from the submission date of the previous study unless otherwise required by our order.

FPL's fossil dismantlement study contains two types of assumptions. First, the study includes general assumptions that are applicable to all units and sites, such as provisions for site security and management personnel. Second, for each unit, the study includes site-specific assumptions, which are intended to capture unique characteristics of an individual plant site. Examples of site-specific assumptions may also include such things as the extent of asbestos abatement required for a given unit, and whether controlled blasting of chimneys can be done.

We find that FPL's dismantlement study complies with our dismantlement rule and is in accord with prior dismantlement studies. Based on our review of the study and its supporting documentation, we believe that the company adequately takes into consideration factors that are unique to specific units when estimating dismantlement costs. As such, it appears that FPL has considered alternative demolition techniques and incorporated them into the study. FPL should continue to consider whether alternative demolition approaches are reasonable in future studies, as it has in the past. Absent specific references, it is unclear what aspects of FPL's study OPC believes are deficient or unsupported. Accordingly, at this time we do not believe the record supports the need to require FPL to file analyses of alternative demolition approaches.

RATE BASE

Calculation of working capital allowance

According to FPL witness Ousdahl, our current practice for clause over- and under-recoveries is not equitable. She testified that:

> The Commission has not permitted FPL to remove the liability from working capital even though FPL compensates customers by paying interest on the over-recovery through the cost recovery clauses. This is inconsistent with the treatment of underrecoveries, where the Commission has previously required FPL to remove the asset from working capital.

Witness Ousdahl argued that this Commission should acknowledge that base rates should never include the cost of capital associated with clause over- or under-recoveries, as such costs are already provided for in the clause rate itself. She further argued that the regulatory liability associated with projected over-recoveries should be removed from working capital.

OPC stated that over-recoveries represent funds the Company owes customers and if they excluded from working capital, customers would be providing interest the company returned in the clause. OPC further stated that the under-recoveries are collected from the customers at the commercial paper rate. In addition, if a clause under-recovery is included in base rates, the company will receive a double return on the under-recovery.

OPC argued that the Commission's practice has been to exclude fuel under-recoveries, which are assets, from Working Capital, and to include over-recoveries, which are liabilities. Furthermore, the rationale for including over-recoveries as a reduction to working capital is to provide the Company with an incentive to make its projections for the cost recovery clause as accurate as possible and avoid large over-recoveries.[39]

We agree with the assessment of OPC as to how we have handled fuel over-recoveries in calculating the working capital allowance in prior rate case proceedings. In the Company's last rate proceeding, its fuel over-recovery was included in the calculation of the working capital allowance. There is no compelling evidence in the record that indicates our policy should be changed. Utilities should strive to reasonably project expenses so as to avoid over-collecting from customers. Therefore, the over-recovery that shall be included in the calculation of the working capital allowance for 2010 is $101,971,000.

Advanced Metering Infrastructure (AMI)

FPL plans to install smart meters over a five year period. The meters will have more capabilities than the meters currently installed. The new meters will be equipped with two-way communications, remote reading, connection, and disconnection capabilities and will be able to collect data regarding consumption at predetermined intervals. The installation will be for residential and small/medium business accounts. The meters will provide both operational and service improvements. The operational improvements include a reduced need for meter readers. The service improvements include more customer usage information and reductions in the number of calls to the company. The meters have a life expectancy of 20 years.

Below is Table 13 that summarizes the number of meters being installed, capital costs, O&M costs, O&M savings and net O&M savings.

Table 13

Deployment	**2009**	**2010**	**2011**	**2012**	**2013**	**Total**
Meters (Thousands)	170	1,128	1,099	1,076	873	4,346
Capital (Millions)	$43.7	$168.5	$158.7	$151.5	$122.5	$645
O&M (Thousands)	$2,274	$6,883	$8,910	$11,882	$10,458	
Savings (Thousands)	($167)	($418)	($4,700)	($18,203)	($30,401)	
Net O&M (Thousands)	$2,106	$6,465	$4,210	($6,321)	($19,943)	

[39] Order No. 12663, issued November 7, 1983, in Docket No. 830012-EU, In re: Petition of Tampa Electric Company for an increase in rates and charges and approval of a fair and reasonable rate of return, pp. 14-15; and Order No. PSC-93-0165-FOF-EI, issued March 29, 1993, in Docket No. 920324-EI, In re: Application for a rate increase by Tampa Electric Company, p. 38.

FPL witness Santos testified that the implementation of AMI will help to modernize the grid. The implementation of AMI will have $645 million in capital costs and once fully implemented will have an annual cost savings of $36.9 million. Beginning in 2012, the O&M savings are greater than the O&M costs associated with AMI. Beginning 2013, the net O&M savings exceed $30 million annually. Witness Santos testified that the savings from smart meters are not directly proportional to the installations. Witness Santos testified that AMI is a long-term project in which savings are realized after several complex, interdependent components and processes are fully developed, tested and implemented and deployment at the FPL regional work area is achieved.

SFHHA witness Kollen testified that the savings from the meters and the costs should be aligned. Witness Kollen proposed including 16.9 percent of the estimated $36 million in savings into the test year. The witness further testified that it is unreasonable to have the ratepayers pay 16.9 percent of the total expenditures for AMI in the test year while only receiving 1.2 percent of the projected savings.

We believe SFHHA's arguments are unfounded. While we agree the savings are not in the test year, it would be inappropriate to move costs or savings from outside of the test year into the test year. This project spans several years, and FPL plans to make significant investments outside of the test year. FPL has not front loaded costs for this project. AMI implementation will ultimately give customers more control over their energy usage.

Accordingly, we find that the costs for AMI implementation are appropriate and have properly been included in rate base for the test year. As seen in the chart above, the Company will continue making investments outside of the test year. The project will lead to increased savings. The investment will help modernize the grid and help the Company provide better service to its customers. If the savings become too great, and the Company earns a return outside its authorized rate, we may call FPL in for an earnings review.

FPL shall provide annually a progress report on implementation of smart meters in the Energy Conservation Cost Recovery docket. The report shall include a detailed description of how FPL intends to utilize smart meters to allow customers to better manage their energy consumption, including new programs or rate offerings associated with smart meters.

Levels of plant in service

We were asked to address whether FPL's requested $28,288,080,000 levels of plant in service was appropriate. As explained below, we do not find that it is. FPL agreed with OPC's position to remove the long-term transmission service contracts. OPC witness Brown provided revised adjustments. However, in some instances her calculations were less than FPL's adjustments as shown in Exhibit 378. OPC chose to adopt the adjustments of FPL provided by witness Ender as proper adjustments to be made to rate base, operating revenues, and expenses.

SFHHA witness Kollen's calculations established the 2009 total reduction of 19 percent or $529 million, by annualizing the actual decrease of the first four months of capital expenditures in the amount of $170 million. Witness Kollen did not provide any supporting documentation to substantiate annualizing only four months of data for capital expenditures. There were no comparative analyses of historical data to add credibility to SFHHA's proposed overstatement of 2009 through 2011 capital expenditures. FPL outlined its capital expenditures by business units rather than by FERC accounts. SFHHA used the annualization based on business units without obtaining the necessary documentation from FPL that would have linked the reductions to the functional accounts in the MFRs. Therefore, we find that SFHHA's adjustments for 2009 through 2011 using the first four months of 2009 capital expenditures were not supported by adequate documentation.

FPL witness Ousdahl provided a schedule in her rebuttal testimony that identified additional Company adjustments as stated below. In addition, she provided a late filed exhibit that identified the applicable plant account/function the adjustments would impact.

(1) Item 21 of Exhibit 358 identified the jurisdictional adjustment to transmissions services for the removal of the long-term transmission service contracts as a reduction to plant in service in the amount of $386,896,000.

(2) Item 4 of Exhibit 358 reflected an adjustment for anticipated capital expenditures expected by DOE in 2010 due to the nuclear fuel settlement agreement. This resulted in a jurisdictional reduction in the amount of $25,866,000 for 2010.

(3) Item 12 of Exhibit 358 reflected a reduction to plant in service for a correction of an error related to the Customer Information System III (CIS) in the amount of $3,301,000 for 2010.

As discussed below, a reduction was made to aircraft expenditures for plant in service in the amount of $53,268,205 for 2010.

During the cross-examination of FPL witness Barrett, he was asked whether the deferred projects listed on Exhibit 418 were included in the $91 million reduction as shown in Exhibit 386. He stated that the projects were deferred from the 2010 projected test year. He further clarified that "Exhibit 418 reflected plant in service, accumulated depreciation, Construction Work In Progress (CWIP), and depreciation for the delayed substations." The deferred substation projects show a reduction to plant in service for 2010 in the amount of $7,276,000.

As discussed above, a capital recovery schedule, as shown in Table 1, was established for the near-term retirements of Cape Canaveral and Riviera power plants, the St. Lucie and Turkey Point nuclear uprate projects, and the AMI meter project. The total estimated investment of the near-term retirements as of December 31, 2009 is shown as $774,610,189. In addition to the capital recovery schedule, a corresponding reduction shall be made to plant in service and accumulated depreciation to remove the estimated investment for the planned near-term retirements. Therefore, plant in service and accumulated depreciation for the 2010 test year shall be reduced by $774,610,189.

As shown in Table 14 below, we identified all the adjustments to plant in service for 2010 as provided in the record. Based on a review of the parties' positions and adjustments, plant in service shall be reduced for the 2010 test year by $1,251,217,394.

TABLE 14

2010 Plant In Service Adjustments				
Description	FPL	OPC	SFHHA	Commission
Issue 15 SLB-26 Revised-Jurisdictional Separation Factor–Transmission Services		($373,423,000)		
EXH 358-Issue 4-DOE Settlement	($25,866,000)	0		($25,866,000)
EXH 358-Issue 12 CIS III	($3,301,000)	0		($3,301,000)
EXH 358-Item 21-Transmission Services–jurisdictional factor	($386,896,000)	0	0	($386,896,000)
EXH 418-Deferred Projects	0	0	0	($7,276,000)
Issue 94 Aviation Costs	($53,268,205)	0		($53,268,205)
Issue 50: SFHHA Capital Expenditures	0		($784,000,000)	0
Issue 19A: Table 1				($774,610,189)
Total Reductions	($469,331,205)	($373,423,000)	($784,000,000)	($1,251,217,394)

In summary, based on the reductions reflected in Table 14 above, the appropriate level of plant in service for the 2010 test year is $27,036,862,606.

Levels of accumulated depreciation

We examined accumulated depreciation records of the Company for 2010 to determine the appropriate projected test year amount. We made several adjustments, including those agreed to by FPL and the parties, issues relating to the 2009 depreciation study, fossil dismantlement study, reserve surplus, GBRA, deferred/delayed projects, aviation, and changes based on the jurisdictional separation of long-term transmission contracts.

As shown in Table 15 on the following page, we identified all the adjustments to accumulated depreciation for 2010 as provided in the record.

TABLE 15

2010 PROJECTED TEST YEAR-ACCUMULATED DEPRECIATION			
Description	FPL's proposed	OPC's proposed	Commission approved
Accum. Depreciation Per FPL Filing	$12,590,521,000	$12,590,521,000	$12,590,521,000
Issue 15 SLB-26 Revised-Jurisdictional Separation Factor–Transmission Services			
EXH 358-Issue 4-DOE Settlement	($252,000)	0	($252,000)
EXH 358-Issue 12 CIS III	($130,000)	0	($130,000)
EXH 358 Issue 16 Account 354 correction	($1,734,000)		($1,734,000)
EXH 358-Item 21-Transmission Services–jurisdictional factor	($144,299,000)	0	($144,299,000)
EXH 418-Deferred Projects	0	0	($114,000)
Issue 94 Aviation Costs	($27,853,907)	0	($27,853,907)
Issue 19C and 19D: Depreciation Study			($41,367,500)
Issue 19E: Reserve Surplus			($111,848,000)
Issue 42: Fossil Dismantlement Study			$1,320,284
Issue 50: Near-term Investment for Retirements			($774,610,189)
Total Reductions	($174,268,907)	($414,924,000)	($1,100,888,312)
Accumulated Depreciation Levels	$12,416,252,000	$12,175,597,000	$11,489,632,688

Accordingly, the appropriate adjustment for the 2010 test year is $1,100,888,312.

Adjustment to CWIP

FPL proposed an adjustment to CWIP for the 2010 projected test year for the Florida EnergySecure Line (gas pipeline). The Company's proposed adjustment is not appropriate. On October 6, 2009, we denied FPL's petition to determine need for the gas pipeline. We determined that FPL had not adequately shown that the proposed gas pipeline was the most cost-effective option.[40] Accordingly, we ordered FPL to revise its request for proposals based on its identified gas transportation needs and provide a copy to our staff for review prior to its issuance. Based on these actions, the capital expenditures for the gas pipeline shall not be reflected through CWIP - AFUDC nor reported to this Commission on the Company's Monthly Earning Surveillance reports.

[40] Order No. PSC-09-715-FOF-EI, issued October 28, 2009, in Docket No. 090172-EI, In re: Petition to determine need for Florida EnergySecure Pipeline by Florida Power & Light Company.

Levels of Construction Work in Progress (CWIP)

FPL stated that the appropriate level of CWIP for the 2010 projected test year, including the adjustments from Exhibit 358 (KO-16), should be $691,380,000. OPC stated that the appropriate levels of CWIP should reflect the adjustments provided in Exhibit 248 (SLB-26 Revised) regarding the appropriate jurisdictional factors. OPC further stated that the appropriate jurisdictional amount for 2010 should be $692,754,000.

We agree with the Company's calculations for the impact of the jurisdictional separation factors as shown in Item 21-Transmission Services. FPL witness Ousdahl provided additional adjustments in Exhibit 358 (KO-16) which impacted CWIP as identified in Table 16 below, including (1) Item 4-DOE Settlement nuclear spent fuel agreement), and (2) Item 12-CIS Plant III for an error in projection to plant in service. However, witness Barrett's late-filed exhibit was entered into the record, which included projects deferred from the 2010 test year. Witness Barrett explained that Exhibit 418 (2010-2011 Deferred Projects) included deferred projects which resulted in reductions to the 2010 test year to plant in service, accumulated depreciation, CWIP, and depreciation expense. This exhibit included a reduction in CWIP for 2010 in the amount of $4,565,000. The overall adjustments are provided in Table 16 below.

TABLE 16

CONSTRUCTION WORK IN PROGRESS -2010 ADJUSTMENTS			
Description	Company proposed	OPC proposed	Commission Approved
Exhibit 358-Item 21-Transmission Services	($18,623,000)	($14,777,000)	($18,623,000)
Exhibit 358-Item 4-DOE Settlement	(828,000)	0	(828,000)
Exhibit 358-Item 12-CIS Plant III	3,301,000	0	3,301,000
Exhibit 418-Deferred Projects	0		(4,565,000)
Total deductions	($16,150,000)	($14,777,000)	($20,715,000)

We find that the appropriate level of CWIP for the 2010 projected test year is $686,815,000, which is a reduction of $20,715,000 from FPL's requested level.

Levels of Property Held for Future Use

As discussed earlier in this Order, OPC stated that Exhibit 378 reflected the proper adjustments to be made to rate base, operating revenues and expenses. We compared OPC witness Brown's Exhibit 248 with FPL witness Ender's Exhibit 378 and saw there were differences in some of the adjustments. Even though there are differences in the parties adjustments, OPC chose to use FPL witness Ender's adjustments. The overall rate base reduction for 2010 is $261,720,000. Exhibit 378 shows that the Company reduced property held for future use for 2010 in the amount of $4,200,000.

We find that the appropriate level of property held for future use for 2010 is $70,302,000. Accordingly, the proposed level of property held for future use for 2010 shall be reduced by $4,200,000.

Accrual of Nuclear End of Life Materials and Supplies

Order No. PSC-02-0055-PAA-EI addresses (1) FPL's petition for the approval of annual accruals for nuclear decommissioning; (2) FPL's accumulated amortization; and (3) the appropriate method of recovery for the last core of nuclear fuel for FPL. The order explained FPL's position on end-of-life material and supplies inventories and last core as follows:

> FPL believes EOL M & S (end of life material and supplies) inventories should be considered part of nuclear decommissioning since the costs relate to the time each nuclear site will cease operation. Further, FPL asserts that the annual expense/reserve accruals associated with the EOL M & S inventories represent the recovery of amounts that will have already been expended during the operating life of each nuclear unit and thus do not require a cash outlay at the time of decommissioning. Therefore, FPL concludes that there is no need to fund these amounts.
>
> FPL considers the Last Core cost to be a result of final shut down of the nuclear reactor, equating to an unrecovered cost remaining at the end of the unit's life.

The order also addressed our request that FPL address the amortization status of end of life material and supplies and last core costs in subsequent decommissioning studies so the related annual accruals could be revised, if warranted. The order further stated that "in the event of industry restructuring, treatment of the Last Core unfunded reserve should follow the same treatment afforded nuclear decommission." Based on this order, we find that this base rate proceeding is not the appropriate docket within which to address the increase for end of life nuclear fuel last core and material and supplies.

In conclusion, we find that the 2010 accrual of nuclear end of life materials and supplies and last core nuclear fuel is appropriate based on the 2005 Settlement Order. However, the additional expense for 2010 and 2011 in the amount of $6 million for end-of-life nuclear fuel last core and $137,000 end of life materials and supplies shall be removed from the applicable accounts of this base rate proceeding and addressed when the Company files its 2010 Nuclear Decommissioning Study.

Nuclear fuel included in rate base

FPL included the nuclear fuel balance in net plant and, therefore, included in the calculation of rate base. Based on the change in accounting rules, the benefit of off-balance sheet financing is no longer available, and the nuclear fuel balance is a part of FPL's consolidated balance sheet. Further, bond rating agencies now include the debt that financed the nuclear fuel as part of FPL's overall debt. Finally, including nuclear fuel in rate base is analogous to including fuel inventory in working capital and, therefore, in rate base. For these reasons, we approve FPL's proposed treatment of nuclear fuel. Accordingly, the nuclear fuel assets shall be capitalized and included in rate base for the 2010 projected test year.

We recognize that this treatment increases the revenue requirement in comparison to the previous (leasing) treatment. This is because the nuclear fuel assets are financed at the overall cost of capital instead of the specific debt rate for commercial paper.

Levels of Nuclear Fuel

Based on our review of OPC Exhibit 248, we found that OPC's net Nuclear Fuel reduction for the 2010 test year was $39,000. We made a similar review of FPL's Exhibits 358 and Exhibit 378 (JAE-11), and found that FPL's net nuclear fuel reduction for the 2010 projected test year was $3,771,000. As discussed above, OPC agreed with FPL's final reductions. Therefore, we agree with both parties that FPL's reduction for the 2010 test year is appropriate. Accordingly, the appropriate level of nuclear fuel for 2010 is $370,962,000. This results in a reduction of $3,771,000.

Unamortized balance of Glades Power Park

FPL contended that the unamortized balance of the FPL Glades Power Park (FGPP) should be included in rate base. The Company stated that in Order No. PSC-09-0013-PAA-EL, issued on January 5, 2009, in Docket No. 070432-EI, we granted FPL recovery of the FGPP costs and provided for amortization of the $34.1 million of costs over a five-year period beginning on January 1, 2010.[41] The other parties to the rate case proceeding took no position on this issue.

We agree with the Company. Accordingly, the unamortized balance of FGPP in the amount of $34.1 million shall be included in rate base and amortized over five years.

Levels of working capital

In Table 17 below, we list all of the adjustments to working capital as provided by FPL and OPC. As discussed above, FPL's adjustments were identified in Exhibit 358 (KO-16) and are shown in the table as a $7,777,000 increase to working capital. Item 21-Transmission Services jurisdictional factor was discussed above, and the table reflects the applicable portion of the $261,720 million reduction which impacted working capital. Each adjustment represents a correction of an error to rate base by the Company. OPC contended that the 2010 adjustment to working capital should be $41,763,000. However, FPL argued that the adjustment to 2010 working capital should be an increase of $7,777,000. We believe that the net over-recovery that was removed by FPL, as discussed above, should be included in the calculation of the working capital allowance. The inclusion of over-recoveries in working capital is an ongoing practice of this Commission. Therefore, the 2010 calculation of the working capital allowance shall be increased by $101,971,000. Also, as we discuss below, rate case expense shall be removed from working capital for the 2010 test year in the amount of $2,948,000. Accordingly, the overall effect results in reductions for the 2010 test year in the amount of $97,194,000, as reflected in Table 17 below.

[41] Order No. PSC-09-0013-PAA-EI, issued January 5, 2009, in Docket No. 070432-EI, In re: Petition for authority to use deferral accounting and for creation of a regulatory asset for prudently incurred preconstruction costs associated with development of clean coal project by Florida Power & Light.

TABLE 17

2010 Working Capital Adjustments			
Description	FPL	OPC	Commission
Item 8 - Bad Debt (EXH 358)	$584,000	0	$584,000
Item 13 - Storm Liability (EXH 358)	1,809,000	0	1,809,000
Item 14 - Fuel Inventory	1,685,000	0	1,685,000
Item 21 - Transmission Services	3,700,000	($41,763,000)	3,700,000
Issue 46 - Over-Recovery	0	0	(101,971,000)
Issue 122 - Rate Case Expense			(2,948,000)
Total Working Capital Reduction	$7,777,000	($41,763,000)	($97,141,000)

In summary, as reflected in Table 17 above, the appropriate reduction for the 2010 working capital allowance is $97,141,000. Therefore, the appropriate level of working capital for the 2010 test year is $112,121,000.

<u>Requested rate base</u>

We find that the appropriate 2010 projected test year rate base is $16,787,429,918, which is a reduction of $276,156,082 from FPL's requested level, as shown below in Table 18 below.

TABLE 18

Jurisdictional Amount for 2010 Rate Base				
	FPL	OPC	SHHA	Commission
Utility Plant-In-Service	27,818,749,000	27,914,655,000	27,504,000,000	27,036,862,606
Accumulated Depreciation	12,416,252,000	12,175,597,000		11,489,632,688
Net Plant-In Service	15,402,497	15,739,058,000		15,547,229,918
CWIP	691,380,000	692,754,000		686,815,000
Property Held for Future Use	70,302,000	70,432,000		70,302,000
Nuclear Fuels	370,962,000	374,772,000		370,962,000
Net Utility Plant	16,535,141,000	16,877,016,000		16,675,308,918
Working Capital	217,040,000	167,502,000		112,121,000
Total Rate Base	16,752,180,637	17,044,518,000	16,511,586,000	16,787,429,918

COST OF CAPITAL

Accumulated deferred taxes

As defined in Order No. PSC-09-0283-FOF-EI[42] issued in the recently completed Tampa Electric Company rate case:

> ADITs [Accumulated Deferred Income Taxes] represent the income tax component resulting from the application of the income tax rate to temporary differences at each balance sheet date. Deferred tax expense reflects the period to period change in ADITs. Because the financial statements reflect accrual accounting, the income tax expense calculation must reflect the liability for income taxes payable in the future as a result of transactions recorded in the current financial statements. Deferred income taxes are generated when ratepayers pay income tax expenses in rates prior to the Company actually being required to make those payments to the U.S. Treasury. Deferred income taxes are included in capital structure because these funds are used by the Company in the provision of utility electric service and should be reflected in the utility's regulated capital structure. The purpose of deferred income tax accounting is to reflect in the financial statements the tax effects (both current and deferred) of assets, liabilities, revenues, and expenses recorded on the financial statements. In the regulated environment, the process of recording deferred income taxes on temporary differences is often referred to as "normalization." Recognizing zero cost deferred taxes in the capital structure (normalization) reduces the overall rate of return charged to ratepayers. In ratemaking, the ADIT balance is a zero cost source of capital in the cost of capital computation, thereby sharing the benefit of the reduced financing costs with ratepayers.

Financial Accounting Standards Board (FASB) Statement No. 109 (SFAS 109)[43] requires a company to recognize a deferred tax liability or asset for the deferred tax consequences of temporary differences. The correct amount of ADITs is the result of various adjustments to the original MFR Schedules.

FPL's original MFR Schedules showed a jurisdictional ADITs balance of $2,723,327,000 for 2010. As a result of "bonus depreciation" made available by the American Recovery and Reinvestment Act of 2009, FPL's balance of jurisdictional ADITs increased to $2,886,174,000 for 2010. The Company's revised MFR Schedule D-1a reflected a balance of jurisdictional ADITs of $2,890,553,000 for 2010. This additional adjustment in the amount of ADIT was the

[42] Order No. PSC-09-0283-FOF-EI, issued April 30, 2009, in Docket No. 080317-EI, In re: Petition for rate increase by Tampa Electric Company.
[43] Accounting for Income Taxes, Statement of Financial Accounting Standards No. 109 (Financial Accounting Standards Board, 1992) Cross Reference: Income Taxes, FASB ASC 740 (Topic 740 of the Financial Accounting Standards Board Accounting Standards Codification). The Codification is the single source of authoritative nongovernmental U.S. generally accepted accounting principles (US GAAP) effective for interim and annual periods ending after September 15, 2009.

result of subsequent rate base and cost of capital adjustments made by the Company related to the removal of aviation expenses.

FPL witness Ousdahl recommended certain adjustments to the balance of ADITs originally proposed by the Company for the 2010 projected test year. FPL proposed an adjustment to tax depreciation for 2009 to reflect the impact of the Stimulus Bill of the American Recovery and Reinvestment Act of 2009. The Stimulus Bill allowed businesses to immediately depreciate 50 percent of the cost of a depreciable property purchased and placed in service in 2009. (26 USC §168(k)) Consistent with the IRC §168(k),[44] FPL utilized the special depreciation allowance in addition to Modified Accelerated Cost Recovery System (MACRS) tax depreciation allowed on its federal tax returns. FPL increased the tax depreciation by $884 million in 2009. However, in addition to recognizing the bonus depreciation adjustment, FPL also corrected an error that resulted in a decrease in the accumulated deferred income tax liability. The net result of these adjustments increased the balance of ADITs to $2,890,553,000 for 2010.

SFHHA witness Kollen recommended that the appropriate amount of ADITs was $3,313,373,000 for the projected 2010 test year. Witness Kollen offered reasons why the balance of ADITs should be increased. First, witness Kollen asserted that the Company inappropriately reduced the balance of ADITs included in the proposed capital structure by $168,598,000 for the effects of FASB Interpretation No. 48 (FIN 48).[45]

FIN 48 is an interpretation of FASB SFAS 109 that clarifies the accounting for uncertainty in income taxes. FIN 48 requires a company to establish a "reserve" for future income tax audit adjustments that may increase the Company's income tax liability and thus reduce the balance of ADITs recorded on its accounting books. Per FIN 48, a liability recognized as a result of applying this interpretation shall not be classified as a deferred tax liability unless it arose from a taxable temporary difference. FPL witness Ousdahl testified that FPL had included the deferred taxes associated with the temporary differences related to the FIN 48 liabilities in the Company's balance of ADITs rather than with long-term liabilities in rate base. She stated that this practice was consistent with the treatment of the deferred taxes and FIN 48 liabilities for FERC reporting.

Witness Kollen also contended that FPL had improperly diluted the low-cost capital provided by customer deposits and the cost-free capital provided by ADITs by allocating pro rata adjustments over these capital components. However, FPL witness Ousdahl stated that allocating pro rata adjustments over only investor sources of capital would result in an inappropriate double counting of the low cost customer deposits and cost-free deferred income tax capital structure components. To support the Company's position on the issue, witness

[44] 26 USC §168(k) (2009)

[45] Accounting for Uncertainty in Income Taxes, Statement of Financial Accounting Standards No. 48, §18 (Financial Accounting Standards Board, 2006). Cross Reference: Unrecognized Tax Benefits, FASB ASC 740-10-45-12 (Paragraph 740-10-45-12 of the Financial Accounting Standards Board Accounting Standards Codification). The Codification is the single source of authoritative nongovernmental U.S. generally accepted accounting principles (US GAAP) effective for interim and annual periods ending after September 15, 2009.

Ousdahl cited to some of our previous orders and demonstrated the effects of the double counting.

We are concerned that the double counting of deferred income taxes might result in a violation of tax normalization rules. Per IRC§168(i)(9),[46] tax normalization requires any ratemaking adjustment with respect to a utility's deferred income tax reserves to be consistently applied with respect to rate base, depreciation expense, and income tax expense. Pursuant to IRC §168(f)(2),[47] the consequence of violating the normalization method of accounting is the loss of the ability to claim accelerated depreciation for income tax purposes. Such a normalization violation would result in the loss of the ability to use accelerated tax methods of depreciation. Consistent with prior PSC orders, tax normalization rules, and as discussed in greater detail below, FPL has properly allocated pro-rata adjustments to all sources of capital.

Based on the foregoing, we find that the methodology used by FPL to calculate ADITs is proper and is consistent with SFAS 109, FIN 48, and Internal Revenue Code covering the projected test year. After making adjustments, the appropriate amount of accumulated deferred taxes to include in FPL's capital structure is $2,892,247,084 for the projected 2010 test year. This amount represents the adjustments proposed by FPL in its testimony, which were incorporated along with our own adjustments to depreciation expense and accumulated depreciation.

Unamortized investment tax credits

In its initial filing, FPL recorded a balance of $56,983,000 of jurisdictional investment tax credits (ITCs) in the Company's capital structure for the projected 2010 test year. After its initial filing, the Company revised some of its specific adjustments to long-term debt and deferred income taxes, and accordingly adjusted the balance of ITCs. In its original filing, FPL removed solar plant amounts from rate base for clause recovery but did not remove solar-related ITCs from the capital structure. In a later filing, FPL corrected its error which resulted in a decrease to the balance of ITCs of $51,565,000 in 2010. The Company's revised MFR Schedule D-1a reflected a jurisdictional ITC balance of $5,426,000 for 2010. An additional adjustment was made as a result of rate base and cost of capital adjustments made by the Company related to the removal of aviation expenses.

FPL and OPC disagreed over the methodology for calculating the ITC cost rate. FPL's methodology for calculating the ITC cost rate was to apply the respective cost rates to the respective balances of common equity, preferred stock (none), and long-term debt. OPC's methodology for determining the ITC cost rate was to apply the respective cost rates to all of FPL's investor sources of capital, including short-term debt. We find that the investments that qualify for ITCs are those that are financed with long-term investor sources of capital. Accordingly, we find that FPL's methodology for calculating the balance of and cost rate for ITCs is appropriate and is in accordance with IRS requirements.

[46] 26 USC §168(i)(9) (2009)
[47] 26 USC §168(f)(2) (2009)

While we agree that FPL's methodology for calculating the cost rate for ITCs is correct, we disagree with FPL's proposed cost rate. FPL proposed a 9.74 percent cost rate for 2010 based on the Company's proposed return on equity of 12.50 percent and long-term debt cost rate of 5.55 percent applied to the relative percentages of these sources of capital. OPC proposed a cost rate for ITCs of 7.41 percent for 2010. The OPC proposed cost rate was based on the return on equity and long-term debt cost rate recommended by OPC witness Woolridge. Accordingly, we recalculated the 2010 ITC cost rate based on the approved 10.00 percent ROE and the approved long-term debt cost rate of 5.49 percent. This resulted in a cost rate for ITC's of 8.19 percent. Based on the foregoing, the appropriate jurisdictional balance of unamortized ITCs to include in FPL's capital structure is $5,429,401 at a cost rate of 8.19 percent for the projected 2010 test year.

Cost rate for short-term debt

We heard testimony and received record evidence for a 2010 weighted average short-term debt cost rate ranging from .60 percent to 2.96 percent. FPL proposed a cost rate for short-term debt of 2.96 percent for 2010. OPC asserted that the appropriate short-term debt cost rate for 2010 was 2.27 percent. SFHHA supported a short-term debt cost rate of .60 percent which reflected the 3-month London Interbank Offered Rate (LIBOR) rate as of June 30, 2009.

FPL's proposed cost rate for short-term debt of 2.96 percent included both interest charges related to commercial paper borrowings based on the 30-day forward LIBOR curve as of November 30, 2008 and fixed costs related to maintaining back-up credit facilities to support FPL's commercial paper program. FPL witness Pimentel testified that it was appropriate to recover the $1,536,000 in annual commitment fees associated with FPL's use of short-term debt in the cost rate.

FPL's 2.96 percent cost rate for short-term debt was comprised of an assumed commercial paper borrowing rate of 2.12 percent, plus an allowance for commitment fees associated with accessing its credit facility of 0.84 percent. The following Table 19 shows FPL's 2008-2011 short-term debt balances, the annual credit facility commitment fees, fees as a percentage of short-term debt, short-term debt cost rates, and the total short-term debt cost rate.

Table 19

Year	(1) Short-term Debt Balance	(2) Annual Credit Facility Fees	(3) Annual Credit Facility Fee Percentage (2)/(1)	(4) Short-term Debt Cost Rate	(5) Total Short Term Debt Cost Rate (3)+(4)
2008	$353,370,000	$1,993,000	.56%	1.96%	2.52%
2009	$242,016,000	$1,536,000	.63%	1.64%	2.27%
2010	$181,615,000	$1,536,000	.84%	2.12%	2.96%
2011	$83,370,000	$1,536,000	1.84%	2.77%	4.61%

As shown in Table 19 above, the annual credit facility fees were calculated as a percentage of the short-term debt balance.

Witness Pimentel testified that forward LIBOR curves best represent market expectations regarding future interest rates and thus it would not be appropriate to use historical rates or a rate from a specific point in time. In addition, witness Pimentel viewed the current low rates as a market anomaly, and did not expect this trend to continue.

OPC witness Woolridge asserted that the appropriate short-term debt cost rate for 2010 was 2.27 percent. Witness Woolridge testified that a 2009 short-term debt cost rate of 2.27 percent was more appropriate than the Company's proposed 2.96 percent for 2010. Witness Woolridge asserted that his recommended cost rate reflected current market interest rates and was not based on speculative forecasts of interest rates. Witness Woolridge testified that the LIBOR peaked in the third quarter of 2008 at 4.75 percent, and since then declined to below 1.0 percent as the short-term credit markets opened up and Treasury rates remained low. In addition, witness Woolridge proposed an increase in the relative balance of the short-term debt reflected in the capital structure to reflect the higher relative percentage of short-term debt maintained in the past.

SFHHA witness Baudino supported a short-term debt cost rate of .60 percent which reflected the 3-month LIBOR rate as of June 30, 2009. Additionally, SFHHA witness Kollen recommended that the annual facility and administrative fees for the Company's credit term loan facilities be included as an expense in the determination of the revenue requirement. Witness Baudino also supported an increase in the relative amount of the short-term debt as a percentage of the capital structure.

SFHHA's proposed short-term cost rate of .60 percent derived from the actual 3-month LIBOR as of June 30, 2009, is not an appropriate short-term cost rate since the cost rate should incorporate the annual credit facility fee charges. In addition, the SFHHA adjustment to include the facility and administrative fee associated with the Company's credit term loan facilities as an operating expense is not appropriate in this instance. These fees are a true cost of issuing short-term debt and shall be included in the cost of debt.

OPC's proposed short-term cost rate of 2.27 percent taken from FPL's MFR Schedule D-3 actual 2009 calculation is not appropriate in this instance. The use of OPC witness Woolridge's short-term cost rate overstates FPL's cost rate for 2010 since OPC's rate is historical and does not factor in more current projections. We also disagree with FPL's recommendation to use a dated 30-day forward LIBOR curve as of November 30, 2008. Instead of the November 30, 2008 LIBOR curve, the appropriate short-term cost rate shall be calculated utilizing an interpolated percentage of the more recent 30-day LIBOR curve projection as of July 28, 2009. In addition, an average of the annual credit facility fee percentages from 2008-2010 of .68 percent will sufficiently compensate the Company for these annual fees.

Accordingly, we find that the appropriate cost rate for short-term debt is 2.11 percent for the projected 2010 test year. We arrived at this cost rate by utilizing a methodology similar to that used by FPL and OPC but we relied on more current information from the hearing record to make our computation. We used an interpolated percentage of the 30-day forward LIBOR curve as of July 28, 2009, to obtain a more current projected interest rate of 1.43 percent for 2010. We added 68 basis points for the average cost of credit facility fees to the interpolated borrowing rate of 1.43 percent for a total short-term debt cost rate of 2.11 percent.

Cost rate for long-term debt

We received record evidence for a 2010 weighted average long-term debt cost rate ranging from 5.14 percent to 5.55 percent. Both OPC and FPL used the same methodology of calculating the long-term debt cost rate, but OPC witness Woolridge applied FPL's 2009 long-term debt cost rate of 5.14 percent to the 2010 projected test year. Witness Woolridge stated that the long-term debt cost rate should be based on current market interest rates, not based on speculative forecasts of interest rates.

FPL proposed a 5.55 percent cost rate for long-term debt for 2010. This proposed rate was based on the weighted average cost rate of the Company's existing debt and projected debt offerings in 2009 and 2010 based on the Blue Chip Financial Forecast (Blue Chip) consensus forecast of December 1, 2008. FPL's proposed cost rate for long-term debt took into account the actual cost of debt on all of the Company's billions of dollars of outstanding long-term debt as well as projected future costs of incremental long-term debt to be issued in the future, for which forecasted interest rates were considered.

FPL witness Pimentel explained that FPL's MFRs had been predicated on its expectation to issue $300 million of three year debt in January 2009 at an interest rate of 3.3 percent. However, the debt was not issued at that time and FPL instead issued $500 million of 30-year bonds at 5.96 percent in March 2009. Witness Pimentel stated that the additional funds raised would reduce the October and December 2009 projected issuances to keep the total amount of debt raised in 2009 issuance at $1 billion.

FPL witness Pimentel disagreed with OPC witness Woolridge's recommended cost rate for long-term debt of 5.14 percent. Witness Pimentel stated that he did not agree with witness Woolridge's use of the overall embedded long-term debt cost rate for 2009 as the long-term debt cost rate for 2010. Witness Pimentel argued that for the 2010 long-term debt cost rate to remain at the 2009 embedded cost rate of 5.14 percent, FPL would need to issue long-term debt in 2009 and 2010 at an average rate of 3.70 percent. Witness Pimentel stated that the Company's actual weighted average cost of long-term debt for 2009, excluding storm recovery bonds, was 5.43 percent.

FPL provided a revised MFR Schedule D-4a to correct some calculation errors and to update the schedule to reflect actual issuances that did not take place as projected due to market conditions. FPL witness Pimentel asserted that the actual debt that the Company issued in the first quarter of 2009 along with the updated interest rate projections from the June 2009 Blue Chip Financial forecast for projected debt issuances were considered together, it would result in a slightly higher interest rate than the rate proposed in FPL's original MFR Schedule D-4a.

FPL maintained that it would be unreasonable and erroneous to adopt a lower long-term cost of debt for FPL in this proceeding based upon the more recent Blue Chip projections of interest rates - i.e. taking this one data point out of context - without also taking into account the updated facts testified to by witness Pimentel. We agree with FPL that updated information in the record should be incorporated in the revisions. Conversely, we disagree with FPL that it is inappropriate to use an updated forecast when determining the appropriate long-term cost rates as well as revising any errors in the original filing.

We calculated the long-term rate for 2010 based on updated information and updated revisions from the record before us. We determined that FPL made an error of including a nonexistent AAA- credit rating in its interpolation of the Company's A+ credit rating positioned between AAA and BBB. This error had the effect of overestimating the long-term cost of debt for FPL. In addition, we applied the more recent October 2009 Blue Chip forecast and the June 2009 Blue Chip forecast (Biannual edition) to update FPL's projected long-term coupon rates. Table 20 below shows FPL's originally proposed interest rates based on the December 2008 Blue Chip Financial forecast and our estimated rates based on FPL's methodology updated for forecasts from the June and October 2009 editions of Blue Chip, correcting for the interpolation error, and recognizing the other adjustments FPL made in its revised MFR Schedule D-4a.

Table 20

Estimated Coupon Rate Calculation	Blue Chip Financial Forecast Edition(s)	S&P Credit Rating	2009 Estimated Coupon Rate	2010 Estimated Coupon Rate
FPL	December 2008	A+	7.11%	6.88%
Commission	June & October 2009	A+	5.95%	6.29%

To calculate the appropriate embedded cost of long-term debt, we made adjustments to FPL's revised MFR Schedule D-4a for 2010. For the specific debt issuances projected by FPL, we substituted FPL's estimated coupon rates of 7.11 percent for 2009 and 6.88 percent for 2010 with the updated estimated coupon rates of 5.95 percent and 6.29 percent, respectively, based on updated interest forecasts from more current Blue Chip forecasts. In addition, the 3-year notes that were not actually issued in January 2009 and the storm securitization bonds have been removed from this calculation. The net effect of the above adjustments results in a six basis point decrease in the cost rate for long-term debt for 2010 from 5.55 percent to 5.49 percent. Based on the foregoing, the appropriate cost rate for long-term debt is 5.49 percent.

Reconciliation of rate base and capital structure

We next turned to the determination of whether adjustments made by FPL to rate base have been appropriately reconciled to the capital structure. In making this determination, we first determined whether certain specific adjustments were appropriately made. We then evaluated whether certain pro rata adjustments should be reconciled over all sources of capital or over investor sources of capital only. MFR Schedule D-1b listed the specific and pro rata adjustments that FPL made to the Company's proposed capital structure for the 2010 projected test year. FPL made specific adjustments to the balances of common equity, long-term debt, investment tax credits (ITCs), and accumulated deferred income taxes (ADITs). After FPL made specific adjustments to specific components in the capital structure, all other adjustments were made pro rata over all sources of capital.

FPL witness Ousdahl asserted that a significant portion of FPL's pro rata adjustments reflected the removal of clause-related plant and Allowance for Funds Used During Construction (AFUDC)-eligible CWIP from FPL's retail rate base. Witness Ousdahl testified that these rate base items were removed because they earned their own return outside of base rates. Additionally, witness Ousdahl stated that the clause items earned a Commission-approved rate of return that was calculated over all sources of capital, including ADITs, customer deposits, and ITCs. Moreover, witness Ousdahl stated that when these items are removed from rate base, it is appropriate to make the necessary reconciling adjustment to the capital structure on a pro rata basis over all sources of capital in order to avoid double-counting the benefit of zero cost deferred taxes and low cost customer deposits.

OPC argued that specific adjustments should be made to the balances of customer deposits, ADITs and ITCs based on corresponding rate base adjustments, and no further pro rata adjustments to these accounts should be made to reconcile the Company's capital structure to rate base. SFHHA also stated that the balances of customer deposits, ADITs and ITCs should not be reduced for pro rata adjustments to reconcile the Company's capitalization to rate base. SFHHA witness Kollen argued that FPL had improperly diluted the low-cost capital provided by customer deposits and the cost-free capital provided by ADITs by allocating pro rata adjustments over these capital components. Witness Kollen explained that capital amounts should be directly assigned to ratepayers in the same manner as if the amounts had been used to reduce rate base. Witness Kollen maintained that customer deposits and ADITs were not used to finance the amounts that comprised the total of FPL pro rata adjustments.

FPL argued that making the adjustment in the manner it proposed was the easiest way to avoid a potential violation of the Internal Revenue Service (IRS) tax normalization rules and avoid the risk of losing the IRS tax benefit of accelerated depreciation. FPL witness Ousdahl explained that reconciling rate base over all sources of capital also matched the way FPL expended cash in the normal course of its operations. FPL funds its operations from a pool of funds that is generated from all sources of capital - including deferred taxes, customer deposits and investment tax credits.

In support of its position, FPL cited our treatment of Tampa Electric Company's (TECO) method of reconciling adjustments approved in Order No. PSC-09-0571-FOF-EI.[48] However, in that order we identified seven additional orders in which the incremental adjustment to rate base was made through pro rata adjustments over investor sources of capital only.[49] In addition, we

[48] Order No. PSC-09-0571-FOF-EI, issued August 21, 2009, in Docket No. 080317-EI, In re: Petition for rate increase by Tampa Electric Company.
[49] Order No. PSC-09-0375-PAA-GU, issued May 27, 2009, in Docket No. 080366-EI, In re: Petition for rate increase by Florida Public Utilities Company; Order No. PSC-08-0436-PAA-GU, issued July 8, 2008, in Docket No. 070592-GU, In re: Petition for rate increase by St. Joe Natural Gas Company, Inc.; Order No. PSC-04-1110-PAA-GU, issued November 8, 2004, in Docket No. 040216-GU, In re: Application for rate increase by Florida Public

stated in Order No. PSC-09-0571-FOF-EI, "Our decision on this point is specific to the record in this case and shall not be considered precedent regarding our position on this or similar issues in future proceedings." That said, FPL did not furnish the information we requested concerning adjustments by plant to the balances of ADITs and ITCs. The following passage is the response by FPL to a discovery request to identify the balances of ADITs and ITCs by plant:

> For the forecast period, the Company did not specifically identify accumulated deferred income taxes or investment tax credits by plant. The Company forecasts the temporary differences for each annual period and identifies the change in deferred income taxes applicable to those temporary differences for each period. The temporary differences during the forecast period are not specifically identified to a specific plant. The amounts are provided in the aggregate in the determination of the taxable income and the accumulated deferred income taxes applicable to a specific plant item have not been separated by temporary differences in the accumulated deferred taxes balance. To determine the deferred income taxes related to CWIP for a specific item, a close out schedule for temporary differences would be required to reflect the transfer of temporary difference from CWIP to plant in service and the related allocation of book depreciation to the various forecasted basis (temporary) differences. For the test year 2010 and the subsequent year, 2011, the amount of deferred tax liabilities forecasted to be generated relating to CWIP were approximately $176 million and $143 million, respectively. During these same periods, deferred income tax liabilities related to plant in service decreased for 2010 by $17 million and increased by $4 million for 2011. Related to the investment tax credits, the Company calculated the estimated amount of investment tax credits to be generated from solar and reported the amounts in the applicable year; it also provided for the amortization beginning on the estimated in-service date. The amortization of investment tax credits is not tracked by plant and is combined by rate on the balance sheet.

We agree with SFHHA witness Kollen that it has been our practice to make specific adjustments where possible and to prorate other rate base adjustments over investor sources only.[50] If an adjustment does not involve plant, then it is likely that the account in question did not produce deferred taxes or ITCs. Absent a showing that specifically identifies ADITs and ITCs associated with a non-plant related adjustment, all adjustments for amounts unrelated to plant shall continue to be removed from the capital structure through a pro rata adjustment over investor sources of capital only.

Utilities Company; Order No. PSC-04-0128-PAA-GU, issued February 9, 2004, in Docket No. 030569-GU, In re: Application for rate increase by City Gas Company of Florida; Order No. PSC-01-1274-PAA-GU, issued June 8, 2001, in Docket No. 001447-GU, In re: Request for rate increase by St. Joe Natural Gas Company, Inc.; and Order No. PSC-01-0316-PAA-GU, issued February 5, 2001, in Docket No. 000768-GU, In re: Request for rate increase by City Gas Company of Florida.

[50] Order No. PSC-02-0787-FOF-EI, issued June 10, 2002, in Docket No. 010949-EI, In re: Request for rate increase by Gulf Power Company; Order No. PSC-08-0327-FOF-EI, issued May 19, 2008, in Docket No. 070304-EI, In re: Petition for rate increase by Florida Public Utilities Company; Order No. PSC-08-0436-PAA-GU, issued July 8, 2008, in Docket No. 070592-GU, In re: Petition for rate increase by St. Joe Natural Gas Company, Inc.

FPL did not follow our practice in this rate case; however, we will permit FPL to make the pro rata adjustments as it proposed. In this particular instance, there are three reasons why we are permitting FPL to make pro rata adjustments over all sources of capital. First, FPL has made a compelling argument regarding the plant items that earn an AFUDC rate and clause items that earn a Commission-approved rate of return. The AFUDC return is calculated over all sources of capital, including deferred taxes, customer deposits, and investment tax credits. When these items are removed from rate base, it is appropriate to make the necessary reconciling adjustment to the capital structure on a pro rata basis over all sources of capital to avoid double-counting the benefit of zero cost deferred taxes and low cost customer deposits. Second, FPL asserted that to avoid a potential violation of IRS tax normalization rules,[51] the rate of return for clause-related plant and AFUDC-eligible CWIP removed from the rate base should be calculated using the same methodology as the rate of return for the jurisdictional rate base so that adjustments to ADITs are applied consistently. We are concerned about the potential loss of deferred income tax treatment by violation of IRS tax normalization rules. Third, as shown below in Table 21, we have calculated the relative difference in the overall cost of capital resulting from the two methodologies of reconciling rate base and capital structure. This difference does not justify the negative consequence of a normalization violation.

Table 21

	Pro rata adjustment over all sources of capital	Pro rata adjustment over investor sources only	Difference
2010 Weighted Average Cost of Capital	7.00%	6.92%	8 basis points

Overall, we are concerned about symmetry in the treatment of reconciling rate base and capital structure. But the proper venue (to address the appropriate methodology for reconciling

[51] As defined in Order No. PSC-09-0571-FOF-EI, issued August 21, 2009, in Docket No. 080317-EI, In re: Petition for rate increase by Tampa Electric Company; Normalization requirements are outlined in Section 168 of the Internal Revenue Code (IRC). In pertinent part, Section 168 permits the use of accelerated depreciation methods. However, accelerated depreciation is permitted with respect to public utility property only if the taxpayer uses a normalization method of accounting for ratemaking purposes. Under a normalization method of accounting, a utility calculates its ratemaking tax expense using depreciation that is no more accelerated than its ratemaking depreciation (typically straight-line). In the early years of an asset's life, this results in ratemaking tax expense that is greater than actual tax expense. The difference between the ratemaking tax expense and the actual tax expense is added to a reserve (the accumulated deferred income tax reserve, or ADIT). The difference between ratemaking tax expense and actual tax expense is not permanent and reverses in the later years of the asset's life when the ratemaking depreciation method provides larger depreciation deductions and lower tax expense than the accelerated method used in computing actual tax expense. This accounting treatment prevents the immediate flowthrough to utility ratepayers of the reduction in current taxes resulting from the use of accelerated depreciation. Instead, the reduction is treated as a deferred tax expense that is collected from current ratepayers through utility rates, and thus is available to utilities as cost-free investment capital. When the accelerated method provides lower depreciation deductions in later years, only the ratemaking tax expense is collected from ratepayers and the difference between the actual tax expense and ratemaking tax expense is charged to ADIT, depleting the utility's stock of cost-free capital. (http://edocket.access.gpo.gov/2003/03-4885.htm)

the capital structure to rate base) is a generic docket to address the issue, since it would affect all IOUs, not just FPL. The appropriate method to reconcile rate base to capital structure is to make adjustments to the class of capital in the capital structure that correspond to the adjustments made to related accounts in rate base. For example, adjustments made to rate base from accounts that do not generate deferred taxes or investment tax credits should not be reconciled over deferred taxes or investment tax credits in the capital structure. Accordingly, we will open a generic docket to address this issue on a prospective basis.

In this docket, FPL did not provide the information necessary to itemize specific adjustments to the balances of ADITs and ITCs for the amounts removed from rate base. The record shows that FPL did not specifically identify its sources of capital and trace its funding usage. The omission of information should not inure to the benefit of the party responsible for providing that information. However, we find that the risk of losing the benefit on accumulated deferred income taxes in the determination of customer rates due to a tax normalization violation outweighs our concern in this instant case. Based upon the foregoing, after making certain specific adjustments, we find that for the sole purpose of setting rates in this rate case only, rate base and capital structure have been reconciled appropriately.

Equity ratio

The goal of an appropriate equity ratio and capital structure is to minimize the overall weighted average cost of capital and to maintain consistent access to capital under reasonable terms. This is an important consideration in that it is the overall cost of capital that is used to determine revenue requirements and ultimately customer rates.

To reach our decision of the appropriate equity ratio and capital structure, we start with a review of whether FPL has appropriately described the actual 59.6 percent equity ratio that it proposed to use for ratemaking purposes as an "adjusted 55.8 percent equity ratio" on the basis of imputed debt associated with FPL's purchased power contracts. This question involves the different ways FPL's test year equity ratio has been presented for purposes of this proceeding.

A company's capitalization can be expressed in a number of ways. For purposes of financial reporting, a company will report its capitalization in accordance with Generally Accepted Accounting Principles, often referred to as on a "GAAP" basis. GAAP prescribes specific requirements for how a company's book capital structure will be presented. Another way a company's capitalization ratios can be expressed is from the perspective of the rating agencies. For their own analytical purposes, rating agencies often make adjustments to a company's capitalization ratios to include certain items that are not recorded on the balance sheet and to remove other items that are recorded on the balance sheet pursuant to GAAP. A third way of expressing a company's capitalization, if the company in question is a regulated utility, is on a Commission-adjusted basis. These adjustments are made to capital structure and rate base primarily to account for the removal of rate base items that are recovered outside of base rates.

Due to differences between GAAP requirements, rating agency adjustments, and regulatory requirements, it is common for a company's reported equity ratio to vary. The table below shows FPL's projected 2010 test year equity ratio as a percentage of investor capital expressed on a GAAP, Standard & Poors' (S&P), and Commission (PSC) basis.

Table 22

	GAAP	S&P	PSC
Equity Ratio	55.6%	55.8%	59.6%

Annual reports for shareholders as well as filings made with the Securities and Exchange Commission (SEC) are prepared in accordance with GAAP. On a GAAP basis, FPL's capitalization will include the storm recovery bonds issued in 2007 to finance storm restoration costs and replenish the storm reserve.[52] The annual reports and filings with the SEC will not, however, reflect imputed debt associated with FPL's purchased power agreements in the balance sheet and income statement. The capitalization ratios reflected in the GAAP statements are expressed on a year end basis.

S&P routinely makes adjustments to the financial statements of companies for purposes of its own analytical review. S&P will make an adjustment to FPL's capitalization to remove the storm recovery bonds because these bonds are non-recourse to the Company. S&P will also impute debt in FPL's capitalization ratios to reflect the fixed payment obligation associated with FPL's purchased power agreements. These "adjusted" financial statements are also on an annual basis.

From a regulatory perspective, we require certain adjustments that also impact FPL's capitalization ratios. For purposes of this proceeding, FPL made adjustments to long-term debt to remove the storm recovery bonds that are recovered through a separate line charge and to remove nuclear fuel capital leases that are recovered through the fuel cost recovery clause. With the exception of the adjustment recognized pursuant to the 2005 Stipulation negotiated between the parties to settle PEF's 2005 rate case approved in Order No. PSC-05-0945-S-EI,[53] base rate-related filings with us do not reflect imputed debt associated with purchased power agreements. For ratemaking purposes, FPL's financial statements are expressed on a 13-month average basis.

As demonstrated above, FPL was technically correct from a GAAP and S&P basis when it described its proposed equity ratio for purposes of this proceeding as approximately 55 percent. However, we do not set rates for FPL based on its GAAP or S&P adjusted equity ratios. We determine FPL's overall cost of capital, and therefore its revenue requirements, based on FPL's regulatory adjusted equity ratio. Accordingly, while the Company's GAAP and S&P equity ratios may be expressed as 55.6 and 55.8 percent, respectively, the equity ratio reflected in FPL's original MFR filing for purposes of determining revenue requirements in this proceeding is appropriately described as 59.6 percent.

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[52] Order Nos. PSC-06-0464-FOF-EI, issued May 30, 2006, and PSC-06-0626-FOF-EI, issued July 21, 2006, collectively known as the Financing Order, in Docket No. 060038-EI, In re: Petition for issuance of a storm recovery financing order, by Florida Power & Light Company.

[53] Order No. PSC-05-0945-S-EI, issued September 28, 2005, in Docket No. 050078-EI, In re: Petition for rate increase by Progress Energy Florida, Inc., (2005 Stipulation).

Having determined that FPL has appropriately described its equity for purposes of this proceeding, we next address what is the appropriate equity ratio that we will use for ratemaking purposes in this case. All witnesses that testified on this issue were in agreement that we should approve a rate of return for FPL that maintains its financial integrity and allows the Company continued access to the capital markets under reasonable terms. The disagreement between the witnesses concerned the relative magnitude of the equity ratio recognized for purposes of determining revenue requirements that is necessary to achieve these results. FPL proposed that for purposes of setting its revenue requirements, we recognize its equity ratio as a percent of investor capital of 59.6 percent. OPC recommended that we adopt an equity ratio of 54.4 percent. FIPUG suggested the equity ratio be reduced to 50.2 percent and SFHHA recommended an equity level of 53.5 percent.

FPL witness Pimentel testified that it is critical for FPL to maintain its financial strength as it confronts the challenges of meeting significant infrastructure investment requirements during this period of financial uncertainty as the nation comes out of the global economic recession. He noted that FPL's strong balance sheet has provided continuous access to both short-term liquidity and long-term capital throughout extreme events such as the 2004 and 2005 storm seasons, the spike in natural gas prices, and the disruption in the financial markets in the fall of 2008. Witness Pimentel testified that FPL's current equity ratio provides for the liquidity requirements and financial flexibility necessary to be in a position to fund future storm restoration activities, hedge fuel price volatility, and fund substantial infrastructure investment.

FPL witness Avera acknowledged that FPL's requested equity ratio is at the upper end of the range of equity ratios for both the companies in his proxy group as well as the investor-owned utilities (IOUs) they own. However, he testified that it is appropriate for FPL to maintain this level of equity given the risks and challenges that the Company faces. Witness Pimentel testified that FPL has consistently maintained this relative equity position, on an adjusted basis, since the we approved the 1999 Revenue Sharing Agreement in Order No. PSC-99-0519-AS-EI.[54] He also noted that FPL's "adjusted" equity ratio of 55.8 percent has been and continues to be viewed as adequate and appropriate by the investment community.

In evaluating the adequacy of the capital structure of a company, witness Pimentel testified that rating agencies will take into account major financial commitments that are not reflected on the balance sheet such as long-term purchased power agreements. FPL witness Avera testified that FPL must be mindful of how the investment community views the Company's capital structure. He also stressed that, unlike TECO[55] and PEF,[56] FPL is not requesting that imputed equity be included in its regulatory capital structure. Because rating agencies and the investment community consider the impact of such fixed obligations when assessing the Company's financial position, both witnesses Pimentel and Avera testified that we

[54] Order No. PSC-99-0519-AS-EI, issued March 17, 1999, in Docket No. 990067-EI, In re: Petition by the Citizens of the State of Florida for a full revenue requirements rate case for Florida Power & Light Company, (1999 Agreement).
[55] Order No. PSC-09-0283-FOF-EI, issued April 30, 2009, in Docket No. 080317-EI, In re: Petition for rate increase by Tampa Electric Company, pages 36–42.
[56] Docket No. 090079-EI, In re: Petition for increase in rates by Progress Energy Florida, Inc., staff recommendation filed November 30, 2009, pages 146–149.

should consider these obligations when evaluating the reasonableness of FPL's proposed equity ratio.

OPC witness Woolridge testified that the 59.6 percent equity ratio as a percentage of investor capital reflected in the Company's filing "is well in excess of the common equity ratios of electric utility companies." He noted that there is a direct correlation between the relative amount of equity in the capital structure and the revenue requirements the customers are called upon to bear. Witness Woolridge testified that if the proportion of equity is too high, rates will be higher than they need to be. For this reason, he recommended that FPL pursue a capitalization strategy that strikes a more appropriate balance of equity and debt in the capital structure.

OPC recognized that FPL is not proposing to impute equity in its capital structure for purposes of setting rates in this proceeding, but stressed that the "actual adjusted" equity ratio of 55.8 percent is not the equity ratio that the Company has employed to calculate its revenue requirements. Because FPL's proposed capital structure ratios do not reflect the actual capitalization of FPL or FPL Group, Inc. (FPL Group) and because the proposed equity ratio is much higher than the equity ratios of other electric utilities, witness Woolridge recommended we recognize a lower equity ratio for ratemaking purposes.

Witness Woolridge recommended an equity ratio of 54.4 percent as a percentage of investor capital. This equity ratio was based on the average of FPL's projected year end capitalization ratios for 2009 and 2010. Because these year end balances differ from the 13-month average balances reported on MFR Schedule D-1a, accomplishment of witness Woolridge's recommended equity ratio would entail adjustments that decrease the relative amount of common equity and increase the relative amounts of long-term and short-term debt. Because his recommended capital structure was based on Company book figures, witness Woolridge testified that his equity ratio more accurately reflected the Company's equity ratio as viewed by investors.

FIPUG witness Pollock challenged the testimony of FPL witnesses that it is necessary for us to consider the impact of imputed debt associated with purchased power agreements. He noted that, due to our approval of purchased power agreements and the full and direct recovery of firm energy and purchased power capacity payments through the fuel and capacity cost recovery clauses, there is minimal recovery risk associated with purchased power agreements in Florida. Thus, consideration of imputed debt is unnecessary in assessing the reasonableness of FPL's capital structure. Witness Pollock testified that, at an equity ratio approaching 60 percent, FPL would be one of the least leveraged regulated electric utilities in the nation.

Witness Pollock recommended an equity ratio of 50.2 percent as a percentage of investor capital. This equity ratio was based on the average equity ratio for single A-rated electric utilities followed by SNL Financial for the period 2006 through the first quarter of 2009. Because FPL is rated single A1 by Moody's Investors Service (Moody's) and single A flat by both Fitch Ratings (Fitch) and S&P, he recommended that the Company's equity ratio should be adjusted to be more comparable to the average equity ratio of other comparably-rated electric utilities.

SFHHA witness Baudino recommended that FPL's equity level be reduced to 50.0 percent on an adjusted basis to conform with the high end of S&P's debt-to-total capital range consistent with a single A rating. He stated that his recommended adjusted equity ratio equates to a ratemaking equity ratio of 53.5 percent. He suggested that this adjustment be accomplished, in part, through an increase in the balance of short-term debt of $600 million to be consistent with the Company's short-term debt levels over the last few years. Witness Baudino concluded that his proposed capital structure strikes an appropriate balance between the interests of Company shareholders and customers, results in an equity ratio consistent with a single A rating, and is supportive of FPL's credit quality.

Witness Baudino testified that approval of an "excessive" equity ratio for FPL could result in customers subsidizing FPL Group's unregulated affiliate operations. S&P employs a consolidated rating methodology whereby it generally assigns a rating to each entity in an organization based upon the credit profile of the consolidated entity. Witness Baudino argued that FPL Group could not maintain a single A rating on a consolidated basis without the support of an excessive FPL equity ratio. He noted the higher debt leverage maintained at the funding vehicle for FPL Group's unregulated operations (FPL Group Capital) and by FPL Group on a consolidated basis relative to the debt leverage maintained at FPL. He also referred to a February 12, 2009 report on FPL wherein S&P cautioned that FPL's rating could be pressured if FPL Group failed to manage significant risks in its merchant energy and energy marketing and trading operations. Because the level of equity for ratemaking purposes should reflect the risk associated with regulated operations, not to offset higher debt leverage at the consolidated level, witness Baudino recommended that the Company's equity ratio be reduced.

Since the approval of the 1999 Agreement, FPL has consistently maintained the proposed relative level of equity capitalization. For the period 1999 through 2008, FPL earned approximately $8.0 billion in net income. Over this period, approximately $4.1 billion was retained by FPL Group and $3.9 billion was invested in FPL in order to maintain the relative balance of debt and equity in its capital structure that it has proposed be recognized for purposes of this proceeding.

Unlike the filings by TECO and PEF, FPL is not requesting any adjustment to its regulatory capital structure to offset the impact of imputed debt associated with purchased power agreements. The Company witnesses have testified that, from the rating agencies' perspective, purchased power agreements represent a debt-like obligation that we should consider when evaluating the reasonableness of the capital structure maintained by FPL. In addition to the impact purchased power agreements have on the Company's financial flexibility, witness Pimentel also urged us to consider the challenges faced by FPL when determining the appropriate capital structure. These challenges include having the financial strength and flexibility to fund potentially significant storm restoration efforts, to hedge fuel price volatility, and to maintain the ability to raise capital under reasonable terms even during periods of economic uncertainty and market volatility.

SFHHA witness Baudino raised the concern that if an "excessive" equity ratio is approved for FPL, it could result in inappropriate cross subsidization through the cost of capital. We take concerns regarding cross subsidization between regulated and unregulated operations of a consolidated entity very seriously. As in all cases that come before us, we are prohibited from setting rates to make up for losses or inadequate returns of affiliated companies. FPL witness Pimentel explained that intervenor witnesses made inappropriate comparisons between FPL's equity ratio and the equity ratio supporting FPL Group's unregulated operations. After considering rating agency adjustments for non-recourse project debt and hybrid capital instruments supporting the unregulated operations, debt leverage at FPL Group Capital and FPL Group on a consolidated basis, while still higher than for FPL, is not as pronounced as a comparison of their respective book capitalizations might suggest. Moreover, to the extent we approve an equity ratio for FPL that represents the high end of the range of ratios for other, comparably situated electric utilities, this lower financial risk position is recognized with our setting of FPL's authorized return on equity (ROE) in this proceeding.

FPL's position of financial strength has served it and its customers by holding down the Company's cost of capital. During the recent volatility in the capital markets, many companies experienced sharp spikes in their cost to borrow. In some instances, companies had to accept rates as high as 10 percent to issue bonds. In the case of FPL, however, due to its strong financial position it was able to sell 30-year bonds at rates under 6 percent during 2008 and 2009 despite the significant disruption in the credit markets.

In its original filing, FPL requested an overall cost of capital of 8.00 percent for 2010. FPL lowered its requested overall cost of capital to 7.85 percent for 2010 principally due to the recognition of additional zero cost accumulated deferred income taxes in the capital structure. The net impact of the net increase in the balance of accumulated deferred income taxes and decrease in the balance of investment tax credits discussed earlier in this order lowered FPL's Commission-adjusted equity ratio as a percentage of investor capital from 59.6 percent to 59.1 percent for 2010.

Based on the foregoing, we approve the capital structure shown on Schedule 2, attached to this order. This capital structure reflects an equity ratio as a percentage of investor capital of 59.1 percent for 2010. While this relative level of equity is near the top of the range of equity ratios of the IOUs owned by the companies in witness Avera's proxy group, it is still within the range of equity ratios of comparably rated IOUs. In addition, this equity ratio is consistent with the relative level of equity FPL has maintained, on an adjusted basis, over the past decade.

Capital Structure for purposes of setting rates

FPL proposed specific adjustments to long-term debt, common equity, and deferred income taxes in its original capital structure as shown in MFR Schedule D-1a. FPL made a specific downward adjustment to the balance of long-term debt in the amount of ($907,863,000). This amount of ($907,863,000) was comprised of ($374,898,000) in nuclear fuel capital leases, ($1,110,000) for prepayment interest on commercial paper, and ($531,855,000) for storm bonds. FPL witness Ousdahl explained that FPL Fuels, Inc. was established for the purpose of financing the acquisition of nuclear fuel and then subsequently leasing the fuel to FPL. However, the rating agencies no longer give off-balance sheet treatment to commercial paper issued by FPL Fuels, Inc. and changes in accounting rules now require FPL to consolidate FPL Fuels, Inc. into its financial statements, so there is no longer any benefit to maintain a separate fuel company.

Therefore, for the reasons above FPL intended to dissolve FPL Fuels, Inc. on or before January 1, 2010.

FPL proposed a specific net downward adjustment to deferred taxes in the amount of ($259,006,000) comprised of ($332,507,000) for storm deficiency recovery and $73,501,000 for accumulated provision for property and storm insurance. Additionally, FPL proposed making a specific downward adjustment to remove nonutility property from common equity in the amount of ($9,519,000).

Subsequent to its original filing, the Company revised its specific adjustments to long-term debt and deferred income taxes, and proposed a new adjustment to investment tax credits as we discussed regarding unamortized tax credits. FPL's proposed adjustment to remove solar plant amounts from base rates for clause recovery did not include the removal of the related investment tax credits from the capital structure. Correction of this error resulted in a decrease to the balance of investment tax credits in the amount of $51,565,000 in 2010. In addition, a proposed adjustment to reflect the impact of the Stimulus Bill that were not known at the time of the original filing resulted in an increase in the balance of accumulated deferred income taxes in the amount of $288,261,000 in 2010. Finally, FPL inadvertently excluded the impact to accumulated deferred income taxes resulting from the company adjustment to include the impact of the change in depreciation rates specified by its depreciation filing. Correction of this error resulted in a decrease in the balance of accumulated deferred income taxes in the amounts of $16,508,000 in 2010.

We approve the Company's the proposed specific adjustments to long-term debt, common equity, deferred income taxes, and investment tax credits as detailed on Schedule 2. Accordingly, we find that the appropriate capital structure for the purpose of setting rates in this proceeding is based on FPL's projected 2010 capital structure with certain adjustments as discussed above. The appropriate capital structure for 2010 is shown on Schedules 2.

Return on equity

We were presented testimony and evidence supporting a range of return on equity (ROE) from 7.6 percent to 13.9 percent. Four witnesses testified in this proceeding regarding the appropriate ROE for FPL. FPL witness Avera testified that a reasonable ROE for FPL is in the range of 12.0 percent to 13.0 percent. FPL witness Pimentel, while not conducting his own independent analysis of the appropriate ROE for FPL, recommended the midpoint of witness Avera's recommended range, or 12.5 percent, as the appropriate ROE for FPL for purposes of this proceeding. OPC witness Woolridge recommended an ROE of 9.5 percent. SFHHA witness Baudino recommended an ROE of 10.4 percent. As expressly stated in the 2005 Settlement, FPL does not currently have an authorized ROE.[57] However, for purposes other than reporting or assessing earnings (such as cost recovery clauses and AFUDC), the 2005 Settlement Order provided for FPL to use an ROE of 11.75 percent.

[57] Order No. PSC-05-0902-S-EI, issued September 14, 2005, in Docket No. 050045-EI, In re: Petition for rate increase by Florida Power & Light Company, p. 3, (2005 Settlement).

The statutory principles for determining the appropriate rate of return for a regulated utility are set forth by the U.S. Supreme Court in its Hope and Bluefield decisions.[58] These decisions define the fair and reasonable standards for determining rate of return for regulated enterprises. Namely, these decisions hold that the authorized return for a public utility should be commensurate with returns on investments in other companies of comparable risk, sufficient to maintain the financial integrity of the company, and sufficient to maintain its ability to attract capital under reasonable terms.

While the logic of the legal and economic concepts of a fair rate of return are fairly straightforward, the actual implementation of these concepts is controversial. Unlike the cost rate on debt that is fixed and known due to its contractual terms, the cost of equity is a forward-looking concept and must be estimated. Financial models have been developed to estimate the investor-required ROE for a company. Market-based approaches such as the Discounted Cash Flow (DCF) model, Capital Asset Pricing Model (CAPM), and ex ante Risk Premium (RP) model are generally recognized as being consistent with the market-based standards of a fair return enunciated in the Hope and Bluefield decisions.

Three witnesses used the DCF model to estimate the investor-required ROE for FPL. Because FPL is a wholly-owned subsidiary of FPL Group, Inc. (FPL Group), its common stock is not publicly traded. To apply the model, each witness had to select a group of companies with publicly traded stock to serve as a proxy for FPL.

FPL witness Avera applied the DCF model to two proxy groups he determined to be comparable in risk to FPL. To select his first group of companies, witness Avera started with all electric utilities followed by Value Line Investment Survey (Value Line). From this initial sample, he eliminated all companies that did not have at least a triple B plus corporate credit rating from Standard & Poors' (S&P), a Value Line safety rank of 1 or 2, a Value Line financial strength rating of B++ or better, and at least two published earnings per share (EPS) growth projections from Value Line, Thomson I/B/E/S (IBES), First Call Corporation (First Call), and Zacks Investment Research (Zacks). Based on these selection criteria, witness Avera identified a proxy group of 19 utility companies (the Utility Proxy Group) that he testified reflect the risks and prospects associated with FPL's jurisdictional utility operations. To select his second proxy group, witness Avera started with all companies followed by Value Line. From this sample, he eliminated all companies that did not pay a dividend, had a Value Line safety rank less than 1, had a financial strength rating less than A, did not have an investment grade credit rating from S&P, and that did not have at least two published EPS growth projections from Value Line, IBES, First Call, and Zacks. Based on these selection criteria, witness Avera identified a proxy group of 66 non-utility companies (the Non-Utility Proxy Group). Considering the various measures of business and financial risk for the two proxy groups, witness Avera concluded that investors would likely view the overall investment risk of FPL to be comparable to the investment risks of the companies in both proxy groups.

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[58] Federal Power Commission v. Hope Natural Gas Company, 320 U.S. 591 (1944); and Bluefield Water Works & Improvement Company v. Public Service Commission of West Virginia, 262 U.S. 679 (1923).

Witness Avera used the constant growth DCF model to estimate the cost of equity for FPL. He derived the expected dividend yields from information published in December 2008 editions of Value Line. The dividend yields for the companies in the Utility Proxy Group ranged from 2.8 percent to 6.4 percent and averaged 6.0 percent for the group. The dividend yields for the companies in the Non-Utility Proxy Group ranged from 0.55 percent to 13.60 percent and averaged 3.52 percent for the group. He relied on security analyst EPS growth projections from Value Line, IBES, First Call, and Zacks as of January 2009 and the expected growth rate as measured by the sustainable growth approach to estimate the growth rate used in his DCF analysis. The growth rates for the companies in the Utility Proxy Group ranged from 0.0 percent to 12.0 percent. The growth rates for the companies in the Non-Utility Proxy Group ranged from (1.2) percent to 18.9 percent. The average of the growth rates used in his DCF analyses were 6.3 percent for the Utility Proxy Group and 10.1 percent for the Non-Utility Proxy Group. In evaluating the results of his DCF analyses, he determined it was appropriate to eliminate cost of equity estimates that were determined to be "extreme outliers." After eliminating "illogical low- and high-end values," the average results of witness Avera's DCF analysis applied to the Utility Proxy Group ranged from 10.6 percent to 11.5 percent. After applying the DCF model to the Non-Utility Proxy Group in the same manner, the average indicated returns ranged from 12.9 percent to 13.4 percent.

To select his group of comparable companies, OPC witness Woolridge started with all electric and combination electric and gas utilities followed by Value Line and AUS Utility Reports (AUS). From this initial sample, he removed all companies that did not have an investment grade bond rating from Moody's Investors Service (Moody's) and/or S&P, and a three year history of paying dividends. He further narrowed his proxy group by focusing on companies with annual operating revenues of at least $5 billion and that generate at least 70 percent of their operating revenues from regulated electric operations. Based on these selection criteria, witness Woolridge identified a group of 10 comparable companies for use in his analysis.

Witness Woolridge used the constant growth DCF model. He relied on dividend yields for the six month period ended July 2009 and for the month of July 2009 as reported by AUS Utility Reports. The expected dividend yield used in his analysis was 4.83 percent. He relied on Value Line's historical and projected growth rate estimates for EPS, dividends per share (DPS), and book value per share (BVPS). In addition, he used the average EPS growth rate forecasts from First Call, Zacks, and Reuters and the expected growth rate as measured by the earnings retention method. The average growth rate used in his analysis was 5.50 percent. The indicated return from witness Woolridge's DCF analysis was 10.33 percent.

To select his group of comparable companies, SFHHA witness Baudino started with all electric companies followed by AUS with at least a single A rating from Moody's and S&P. From this initial sample, he selected companies that generated at least 50 percent of their revenues from regulated electric operations and that had EPS growth forecasts from Value Line and either Zacks or First Call. He further narrowed his proxy group by removing all companies that had recently cut or eliminated dividends, were recently or currently involved in merger activities, or had recent experience with significant earnings fluctuations. Based on these selection criteria, witness Baudino identified a group of 14 companies that he believed had a risk profile that is reasonably similar to FPL.

Witness Baudino used the constant growth DCF model. He derived the dividend yields used in his analysis based on information for the six month period ended June 2009 as reported by Yahoo! Finance. The monthly average dividend yields for the group ranged from 4.75 percent to 5.66 percent. The average expected dividend yield used in his analysis was 5.45 percent. He relied on Value Line projected EPS and DPS growth rate estimates. In addition, he used EPS growth rate forecasts from Zacks and First Call. Witness Baudino ran his DCF model under three slightly different growth rate assumptions. In method 1, he calculated the average of all growth rates from Value Line, Zacks, and First Call. In method 2, he calculated the median growth rate for his proxy group. In method 3, he omitted double digit growth rates and growth rates that were less than 1 percent from the calculation of the averages. The expected growth rates produced by all three methods fell in the range of 3.75 percent to 6.25 percent. Method 1 produced an indicated cost of equity range of 9.72 percent to 11.64 percent with an average of 11.01 percent and a midpoint of 10.68 percent. Method 2 produced an indicated cost of equity range of 9.10 percent to 11.66 percent with an average of 10.80 percent and a midpoint of 10.38 percent. Method 3 produced an indicated cost of equity range of 10.49 percent to 11.43 percent with an average of 11.13 percent and a midpoint of 10.96 percent. Based on this analysis, witness Baudino testified that his DCF analysis indicated a range of returns of 10.38 percent to 11.13 percent and he recommended we adopt an ROE of 10.40 percent for FPL.

All three witnesses used the same constant growth version of the DCF model. And with the exception of witness Avera's Non-Utility Proxy Group, all three witnesses used relatively similar estimates of dividend yields. The primary reason for the difference in the indicated DCF returns is attributed to differences in their respective estimates of the growth rate to include in the DCF model.

Both witnesses Woolridge and Baudino testified that the results of witness Avera's DCF analysis based on the Non-Utility Proxy Group is not appropriate to estimate the ROE for the regulated operations of FPL. Witness Woolridge testified that, because the companies in the Non-Utility Proxy Group are large and successful, have lines of business vastly different from the electric utility business, and do not operate in a highly regulated environment, "the non-utility group is not an appropriate proxy for FPL, and therefore the equity cost rate results for this group should be ignored." Witness Baudino testified that non-utility companies have higher overall risk structures than a low-risk electric utility like FPL and will have higher required returns from their shareholders. Given the greater degree of business risk for the non-utility companies, he stated that it should be expected that witness Avera's DCF results for his Non-Utility Proxy Group would be substantially higher than the results for his Utility Proxy Group. Witness Baudino concluded that "using higher required returns from a group of unregulated companies is obviously unjustified, inflates FPL's required ROE, and should be rejected by the Commission."

Witness Avera countered that his Non-Utility Proxy Group was screened to have corresponding risk indicators with FPL and is comprised of 66 of the best known and most stable corporations in America. He stated that the Hope and Bluefield decisions dictate that the allowed return be consistent with returns on investments of comparable risk but that neither decision restricted consideration to only utilities. Because utilities compete with unregulated companies for capital and his Utility and Non-Utility Proxy Groups are comparable in risk, witness Avera argued our consideration of the results of both DCF analyses is consistent with the regulatory standard established by Hope and Bluefield.

Three witnesses also performed a CAPM analysis. For the reason discussed earlier, the witnesses used their respective proxy groups for certain inputs to their CAPM analysis.

FPL witness Avera performed an ex ante, or forward-looking, CAPM analysis. For the estimate of the risk-free rate, he used the average yield on 20-year Treasury bonds for December 2008 of 3.2 percent. For the estimate of the company-specific risk, or beta, he used the average beta for his two proxy groups. The average beta for the Utility Proxy Group was .73 and the average beta for the Non-Utility Proxy Group was .84. Witness Avera relied on Value Line for his estimates of beta. He derived a market risk premium of 10.0 percent based on a DCF analysis of the dividend paying companies in the S&P 500. Witness Avera's CAPM analyses indicated returns of 10.5 percent for the Utility Proxy Group and 11.5 percent for the Non-Utility Proxy Group.

OPC witness Woolridge also performed an ex ante CAPM analysis. For the risk-free rate, he used an estimate of the forward-looking yield on 30-year U.S. Treasury bonds of 4.50 percent. For beta, he used the average Value Line beta for his group of proxy companies of .70. He determined an expected risk premium of 4.36 percent based on the results of various studies of historical risk premium, ex ante risk premium studies, and equity risk premium surveys. Witness Woolridge's CAPM analysis indicated an ROE of 7.6 percent.

SFHHA witness Baudino performed both an ex ante and an ex post, or historical, CAPM analysis. For the estimate of the risk-free rate, he used both the average yield on 5-year Treasury notes and 20-year Treasury bonds for the 6 months ended June 2009 of 2.00 percent and 3.94 percent, respectively. For the estimate of beta, he used the average beta for his proxy group of .69 as reported by Value Line. Witness Baudino derived a market risk premium range of 6.47 percent (based on the yield on 20-year Treasury bonds) to 8.41 percent (based on the yield on 5-year Treasury notes) for purposes of his ex ante CAPM. For purposes of his ex post CAPM, he relied on historical, earned returns from Ibbotson Associates to determine a market risk premium range of 4.40 percent to 5.97 percent. Witness Baudino's analysis indicated a range of returns of 7.77 percent to 8.38 percent for the ex ante CAPM and 6.96 percent to 8.03 percent for the ex post CAPM.

With the exception of witness Baudino's ex post CAPM analysis, all three witnesses used the ex ante CAPM model. Witness Woolridge testified that witness Avera's CAPM analysis overstated the required return for FPL because of its application to a non-utility proxy group and its reliance on an excessive market risk premium. For the same reasons discussed above in the section on the DCF model, witness Woolridge testified that witness Avera's group of non-utility companies is not an appropriate proxy to estimate the required return for FPL. Witness Woolridge also testified that witness Avera's estimate of a market risk premium of 10.0 percent is well in excess of the equity premium demanded by the market.