



2002 Depreciation Study Update

Finance Committee Meeting
December 10, 2003

Study done by Gannett Fleming
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Depreciation Study History

Study Year	Implemented
1990	1994 -1996
1994	
1995	1998
1999	2002
2002	Pending

Net Change in depreciation expense
based on a full year of
1999 rates vs. 2002 rates

Generation	3,150,092
Transmission	(345,007)
Distribution	(1,176,451)
General Plant	(1,842,964)
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Total	<u><u>(214,330)</u></u>

2004 Budget Considerations

- Assumed six months of 1999 study rates and six months of preliminary 2002 study rates
- Budget impact depends on rates and implementation date approved by the RCA



Questions?