RMP 2014 GRC Filing Requirements

R746-700-20.C.5.b

<u>Reversing Adjustment:</u> Separately, a reversing adjustment and the reasons for non-inclusion or departure from a Commission ordered practice or adjustments if the applicant does not wish to have them apply to the application.

Response to R746-700-20.C.5.b

Exhibit RMP__(SRM-3), Adjustment 4.8, Generation Overhaul Expense, is a departure from prior Commission ordered practice to the extent the Company restated expenses to current dollars prior to calculating the four year average of overhaul expense. The Company believes this is necessary in order to properly reflect the impact of inflation in the test period. This same approach was incorporated into the Company's rebuttal filings in Docket Nos. 10-035-124 and 11-035-200.