

Capitalization with



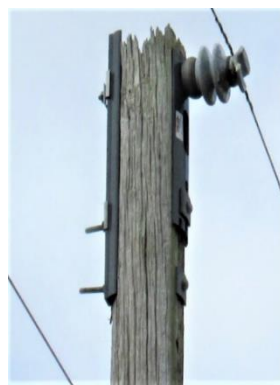
Life Extension Products for Distribution & Transmission Wood Poles

Wood pole restoration is a 100% Capitalizable Long-Term alternative to pole replacement. It is a post-acquisition expenditure that is classified as a betterment to the wood pole system that extends its original estimated useful life.

Pole restoration meets GAAP and FERC Capitalization Requirements: Capitalization results from improvements to existing assets if future economic benefits result from the expenditure, then the improvement should be treated as a capital expenditure and appear on the balance sheet as an asset. Future economic benefits occur due to the following:

- Service life of the pole is extended
- The usable life is extended more than a decade
- Future O&M expenditures will be reduced lowering operating costs.

Pole restoration is considered a betterment to the pole plant. Expenditures expected to produce benefits beyond the current accounting period and provide a more permanent benefit in longevity, utility or worth are capitalized.



All our products are Patented, ANSI Tested
and Approved for Distribution & Transmission

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