

Q. Provide the fixed cost associated with distribution system/km of distribution for the years 1998 through 2002 (with 2002 figures projected through year-end), and forecast for the years 2003 and 2004 on the basis of the 2003 General Rate Application.

A. Table 1 below provides the fixed cost associated with the distribution system per kilometre of distribution line for the years 1998 to forecast 2004. The distribution fixed cost includes depreciation, return on rate base and income taxes.

Table 1 Distribution Fixed Cost per Kilometre of Line			
Year	Distribution Fixed Cost (\$000s)	Kilometres of Distribution Line	Distribution Fixed Cost per Kilometre of Line (\$000s)
1998	52,320	7,827	6.68
1999	53,578	7,803	6.87
2000	52,964	7,927	6.68
2001	55,728	8,035	6.94
2002 (forecast)	57,828	8,151	7.09
2003 (forecast)	57,645	8,267	6.97
2004 (forecast)	60,626	8,383	7.23