

Q. In reference to the evidence of Earl Ludlow, page 10, Table 3, please provide, year over year, the Operating Expenses – Distribution, actual versus forecast for 1996 to current and forecast, and the percent of increase/decrease, as the case may be.

A. Table 1 below provides a comparison of the actual versus forecast Operating Expenses - Distribution for the period 1996 to forecast 2004.

Table 1 Actual versus Forecast Operating Expenses – Distribution 1996 - 2004F (\$000s)				
Year	Forecast	Actual	Variance – Over (Under)	
			\$	%
1996	- ¹	6,647	n/a	n/a
1997	- ¹	6,761	n/a	n/a
1998	7,115	7,254	139	2
1999	7,508	7,318	(190)	(2.5)
2000	6,936	7,191	255	3.7
2001	6,560	6,262	(298)	(4.5)
2002F	5,628	n/a	n/a	n/a
2003F	5,646	n/a	n/a	n/a
2004F	5,780	n/a	n/a	n/a

¹ Actual 1996 and 1997 expenses have been recategorized for comparative purposes in accordance with approved changes to the Company's System of Accounts. Forecast expenses for 1996 and 1997 are not readily available on the same comparative basis.