

**Q. In reference to the evidence of Earl Ludlow, page 15, Table 7, Operating Expenses – Administrative and Engineering Support, please provide, on a table, year over year, actual and forecast for 1996 to current and forecast, and the percentage of increase/decrease, as the case may be, in forecast versus actuals.**

**A.** Table 1 below provides a comparison of actual versus forecast Operating Expenses- Administrative and Engineering Support for the period 1996 to forecast 2004.

<b>Table 1</b> <b>Operating Expenses</b> <b>Administrative and Engineering Support</b> <b>1996 – 2004F</b> <b>(\$000s)</b>				
Year	Forecast	Actual	Variance – Over (Under)	
			\$	%
1996	- <sup>1</sup>	7,401	n/a	n/a
1997	- <sup>1</sup>	7,060	n/a	n/a
1998	6,515	6,972	457	7.0
1999	7,292	7,753	461	6.3
2000	6,665	7,236	571	8.6
2001	6,773	8,557	1,784	26.3
2002F	6,967	n/a	n/a	n/a
2003F	6,911	n/a	n/a	n/a
2004F	7,076	n/a	n/a	n/a

<sup>1</sup> 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.