

Q. In reference to the evidence of Earl Ludlow, page 16, Table 8, Operating Expenses – Telecommunications, please provide, on a table, year over year, actual and forecast for 1996 to current and forecast, and the percent 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-Telecommunications for the period 1996 to forecast 2004.

Table 1 Operating Expenses Telecommunications 1996 – 2004F (\$000s)				
Year	Forecast	Actual	Variance – Over (Under)	
			\$	%
1996	- ¹	1,584	n/a	n/a
1997	- ¹	1,545	n/a	n/a
1998	1,410	1,203	(207)	(14.7)
1999	1,215	1,086	(129)	(10.6)
2000	1,078	748	(330)	(30.6)
2001	1,237	802	(435)	(35.2)
2002F	852	n/a	n/a	n/a
2003F	963	n/a	n/a	n/a
2004F	986	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.