

Q. In reference to the evidence of Earl Ludlow, page 17, Table 9, Operating Expenses – Environment, please provide, year over year, forecast versus actual, from 1996 to current 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-Environment for the period 1996 to forecast 2004.

Table 1 Operating Expenses - Environment 1996 – 2004F (\$000s)				
Year	Forecast	Actual	Variance – Over (Under)	
			\$	%
1996	- ¹	369	n/a	n/a
1997	- ¹	384	n/a	n/a
1998	447	621	174	38.9
1999	703	721	18	2.6
2000	891	1,006	115	12.9
2001	1,173	939	(234)	(19.9)
2002F	1,157	n/a	n/a	n/a
2003F	1,178	n/a	n/a	n/a
2004F	1,206	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.