

1 **Q. With respect to non-regulated expenditures, please provide the amount of non-**
2 **regulated expenditures, year over year, from 1998 to current and forecast, and the**
3 **percent of increase/decrease as the case may be.**
4

5 A. Table 1 below shows Newfoundland Power's non-regulated expenses (net of applicable
6 income tax) for the period 1998 to forecast 2004, and the corresponding percentage
7 increase/decrease.
8

Table 1 Non-Regulated Expenses - Net of Income Tax (\$000s)		
Year	Non-Regulated Expenses	Percentage Increase/Decrease
1998 Actual	728	
1999 Actual	781	7.3%
2000 Actual	764	-2.2%
2001 Actual	837	9.6%
2002 Forecast	800	-4.4%
2003 Forecast	800	0.0%
2004 Forecast	800	0.0%

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10 As shown in the *Finance & Accounting Evidence*, Exhibit BVP-1, page 5; non-regulated
11 expenses – net of income tax are added back to earnings in the calculation of regulated
12 earnings applicable to common shares. As a result, non-regulated expenses – net of
13 income tax are not included in the cost of providing service to customers, and are also
14 added back to earnings for purposes of calculating return on rate base as shown in Exhibit
15 BVP-1, Page 8.