

Requests for Information

Q. On page 2 of Corporate Overview Evidence it states that gross operating expenses have been reduced by approximately 22 percent since 1992. Please provide a comparable summary of gross operating expenses for 1992 and for 2001.

A. Table 1 below shows a comparison of gross operating expenses for 1992, 2001 and 2002. Mr. Hughes' statement referred to the 22 per cent reduction in gross operating expenses from 1992 to forecast 2002. The reduction in reference to actual 2002 gross operating expenses is 23.3 per cent.

Table 1 Comparison of Gross Operating Expenses 1992 to 2002 (\$000s)			
Year	Gross Operating Expenses	Change	%
1992	68,833	-	-
2001	55,083	(13,750)	(20.0)
2002	52,776	(16,057)	(23.3)

Table 2 below provides a comparison of gross operating expenses for 1994 and forecast 2004 which supports the statement by Mr. Hughes in his revised evidence dated February 10, 2003 that gross operating expenses are forecast to decrease by approximately 9 per cent over this period.

Table 2 Comparison of Gross Operating Expenses 1994 to 2004F (\$000s)			
Year	Gross Operating Expenses	Change	%
1994	59,992	-	-
2004F	54,534	(5,458)	(9.1)