

1 **Q. Provide details of 40% increase in substation costs from 2001 to 2002.**

2
3 A. As Exhibit EAL-1 shows, the forecast of substation costs for 2002 is consistent with
4 actual costs incurred in each of years 1998, 1999 and 2000, and the forecast of these costs
5 for 2003 and 2004.

6
7 Substation operating costs for 2001 were lower than typical levels as electrical
8 maintenance staff were required to focus their attention on completing a large number of
9 scheduled capital projects. Electrical maintenance activities returned to typical levels in
10 2002.