

1 **Q. Please explain the basis for the weighting of 65.9% related to O&M and 34.1%**
2 **related to net utility plant used in the functional classification of general expenses as**
3 **described in Mr. Henderson's Evidence, page 7, and as shown on the comments of**
4 **Table 1: Functional Classification of Expenses, Exhibit LCH-1 page 9.**

5
6 **A.** The weighting of 65.9 per cent related to O&M and 34.1 per cent related to net utility
7 plant is based on actual operating and capital labour from January 2000 to March 2002.
8 Table 1 below shows the operating and capital labour used in calculating the split.
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Table 1 Weighting of General Expenses Based on Total Capital and Operating Labour from January 2000 – March 2002		
Total Capital Labour Expenditures January 2000 – March 2002	\$35,015,000	34.1%
Total Operating Labour Expenditures January 2000 – March 2002	\$67,575,000	65.9%
Total	\$102,590,000	100.0%