

2004 Capital Projects Explanations

Project Title: **Application Environment**

Location: **All Service Areas**

Classification: **Information Systems**

Project Cost: **\$791,000**

Project Description

This project involves the necessary upgrading of technology products and related processes required to support the implementation, upgrading, and enhancement of the Company's computer applications. It includes upgrades to current software tools, processes and applications as well as the acquisition of new software licences. For details see Volume IV, Information Systems, Appendix 2.

Project Cost (000s)				
Cost Category	2004	2005	2006 - 2008	Total
Material	< >	-	-	-
Labour – Internal	\$346	-	-	-
Labour – Contract		-	-	-
Engineering		-	-	-
Other	445	-	-	-
Total	\$791	\$410	\$2,620	\$3,821

Operating Experience

The project cost is based on an assessment of historical expenditures. For comparison purposes, the following table gives the expenditures for this project for the past five years.

Project Cost					
Year	1999	2000	2001	2002	2003F
(\$000s)	\$1,724	\$587	\$560	\$724	\$846

Project Justification

This project is justified on the basis of improvements in customer service and increased operational efficiencies.