

Q. INFORMATION SYSTEMS**PUB 24.0 (RE: p. 67 & 68 of 73) Network Infrastructure (\$276,000)****PUB 24.1**

Please provide a comparison of the budgeted and the actual expenditures for each of the years from 2000 to 2004F inclusive and graph variances. Please include details of expenditures in each year.

- A. There were no budgeted or actual expenditures under the Network Infrastructure project during 2001 to 2002. Table 1 provides the actual expenditures for the project from 2000 and 2004F broken down by material, labour and other.

Prior to its 2004 capital budget process, Newfoundland Power did not produce an estimated breakdown of its budgeted capital expenditures into material, labour and other components. Accordingly, budget and variance information using such a breakdown is not available for years prior to 2004.

Tables 2 and 3 provide the 2000 to 2004F budgeted expenditures and the 2000 to 2004F variances from budget respectively. For years prior to 2004, both the budget (Table 2) and variances (Table 3) are indicated on a total basis. For 2004F, information is broken down by material, labour and other.

Chart 1 graphically compares actual versus budget expenditures, while Chart 2 shows annual variances as a percentage of budget.

Table 1
Network Infrastructure
Actual Expenditure
2000 to 2004F
(\$000s)

| Year | Material | Labour¹ | Other | Total |
|-------------|-----------------|---------------------------|--------------|--------------|
| 2000 | 147 | 43 | 15 | 205 |
| 2001 | - | - | - | - |
| 2002 | - | - | - | - |
| 2003 | 454 | 27 | 51 | 532 |
| 2004F | 341 | 36 | 16 | 393 |

¹ Does not include contract or engineering labour. Costs associated with consultants for Information Systems projects are budgeted in the Other category.

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Table 2
Network Infrastructure
Budgeted Expenditure
2000 to 2004F
(\$000s)

| Year | Material | Labour | Other | Total |
|-------------|-----------------|---------------|--------------|--------------|
| 2000 | N/A | N/A | N/A | 201 |
| 2001 | N/A | N/A | N/A | - |
| 2002 | N/A | N/A | N/A | - |
| 2003 | N/A | N/A | N/A | 542 |
| 2004F | 341 | 36 | 16 | 393 |

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N/A – Detailed budget breakdown not available prior to 2004

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Table 3
Network Infrastructure
Budget Variances
2000 To 2004F
(\$000s)

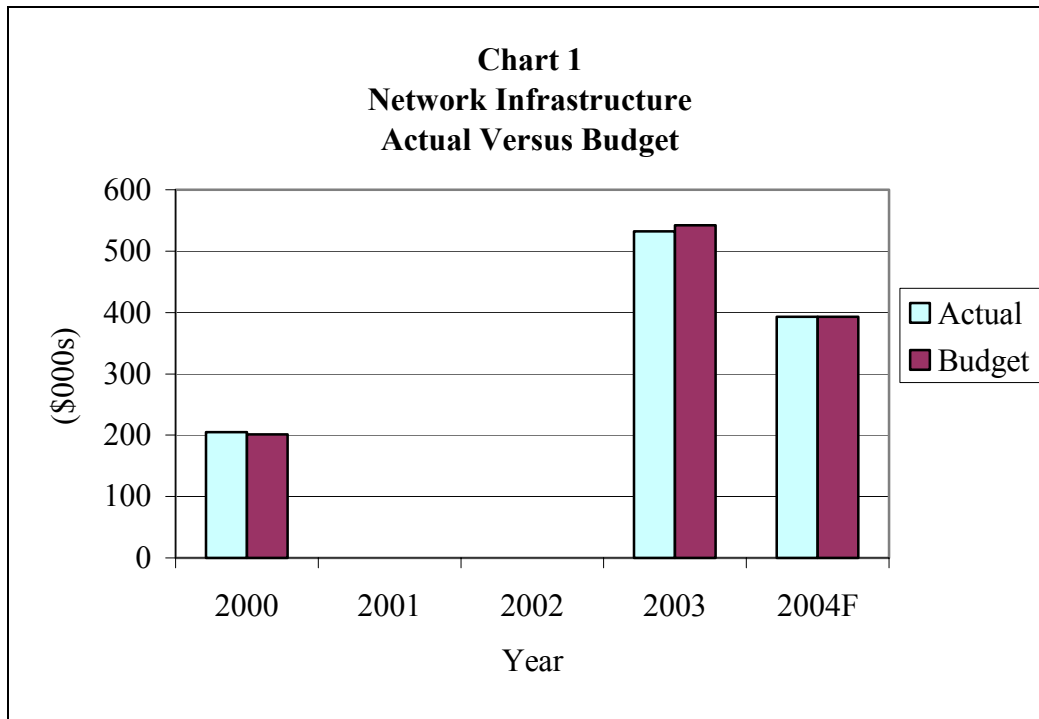
| Year | Material | Labour | Other | Total |
|-------------|-----------------|---------------|--------------|--------------|
| 2000 | N/A | N/A | N/A | 4 |
| 2001 | N/A | N/A | N/A | - |
| 2002 | N/A | N/A | N/A | - |
| 2003 | N/A | N/A | N/A | (10) |
| 2004F | - | - | - | - |

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N/A – Detailed variance breakdown not available prior to 2004

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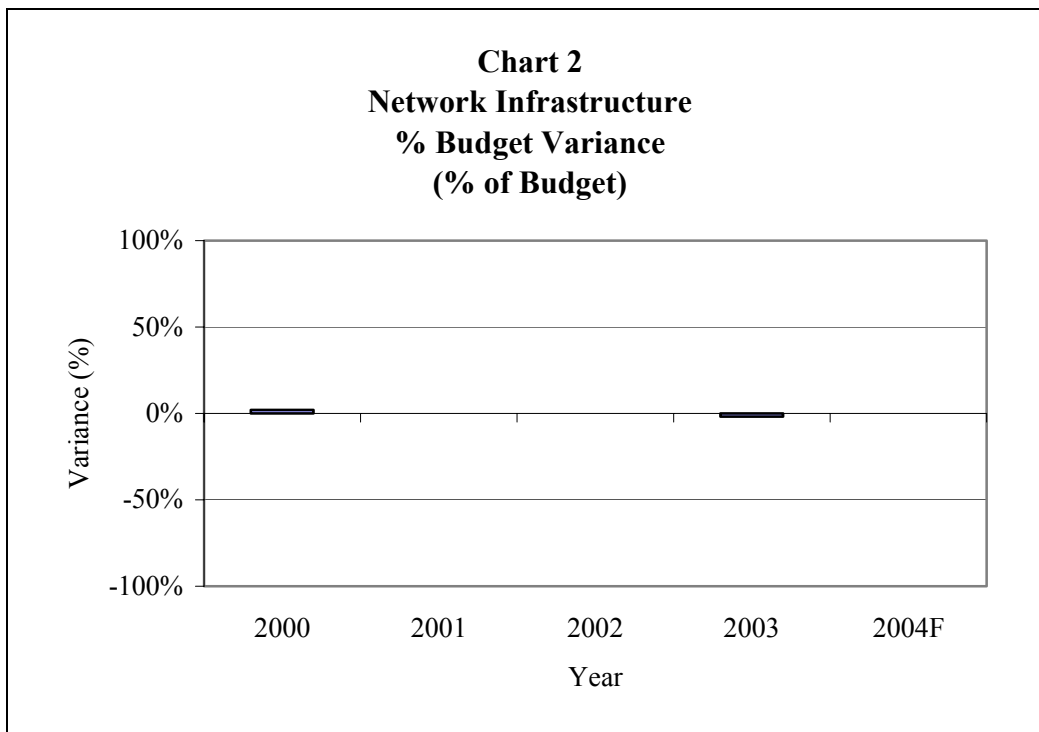
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