

**Reconciliation of J. C. Roberts Schedule I, Diesel Fuel & Wood Chips Revenue Requirement  
and NP-219 Average Fuel Cost per Litre for 2001 and 2002**

	<u>2001</u>	<u>2002</u>
J. C. Roberts Schedule I, line 11, columns (g) and (i) (\$thousands)	\$6,678	\$6,323
Less: Interconnected Island Standby Plant Diesel Fuel Expense (\$thousands)	<u>\$35</u>	<u>\$33</u>
Equals: Rural Isolated Diesel Fuel Expense (\$thousands)	\$6,643	\$6,290
Divided by: Rural Isolated Diesel Fuel Consumption (thousands of litres)	15,017	14,861
Equals: NP-219 Rural Isolated Average Diesel Fuel Cost per Litre	\$0.44	\$0.42
Less: Rural Fuel Distributor weighted Mark-Up per Litre <sup>1</sup>	\$0.08	\$0.08
Equals: Underlying Montreal Rack Price for Diesel Fuel per Litre	\$0.36	\$0.34

---

1. On October 5 (printed transcript page 27 at line 52), Mr D.A. Reeves indicated that 8.9 cents per litre should be added to the Montreal Rack Price for diesel fuel to be representative of prices on diesel systems. The 8.9 cents per litre was a simple average of the mark-up charged by the oil distributors for diesel systems. On a weighted basis, taking into account varying fuel requirements across systems, the average mark-up is more accurately calculated to be about 8 cents per litre.