

1 Q. For the budget item identified below, provide the following information:

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<i><b>Budget Item</b></i>	<i><b>Amount</b></i>	<i><b>Description</b></i>
B-35	\$981,000	Provide Service Extensions – Central, Northern and Labrador

3 (a) Provide the 5-year historical expenditures, customer counts and unit  
4 extension costs per customer addition (material and labour) by region.

5 (b) Provide a forecast of the number of customers and methodology used  
6 to develop the budgeted amounts.

7 A. (a) The following table shows the 5-year expenditure per customer  
8 addition by region:

<b>Service Extensions - Central , Northern and Labrador</b>					
<b>Expenditures - 1996 - 2000</b>					
Year	Materials	Labour (Installation)	Total	No. of Customers	Average Per Customer
<b>Central</b>					
1996	183,061	247,151	430,212	177	2,431
1997	175,248	195,560	370,808	171	2,168
1998	181,656	139,535	321,191	134	2,397
1999	234,541	219,107	453,648	172	2,637
2000	208,458	190,401	398,859	207	1,927
<b>Northern</b>					
1996	120,915	182,869	303,784	220	1,381
1997	163,927	165,778	329,705	228	1,446
1998	159,673	146,375	306,048	185	1,654
1999	205,338	211,287	416,625	170	2,451
2000	178,853	202,853	381,706	230	1,660
<b>Labrador</b>					
1996	319,578	151,770	471,348	383	1,231
1997	309,667	241,711	551,378	312	1,767
1998	213,414	222,369	435,783	353	1,235
1999	216,372	162,942	379,314	273	1,389
2000	325,918	256,009	581,927	250	2,328

1           (b)    The forecast of the number of customers for 2001 and 2002 is given in  
2                    NP-108 (a). The method used for budgeting service extensions is  
3                    primarily historical trend analysis over the previous five years, as well  
4                    as incorporating information on proposed community development  
5                    and economic forecasts. Service extension budgets are difficult to  
6                    forecast and can be greatly impacted by government expenditures  
7                    and economic growth.