1	Q.	Explain in detail the basis for each of the estimated Specifically Assigned
2		amounts set out in the 2004 forecast Cost of Service, as well as the basis for
3		each of the allocations to NP and each IC set out therein.
4		
5		
6	Α.	The detailed calculations for the specifically assigned amounts, by customer,
7		are attached. These calculations reflect the revisions to the specifically
8		assigned charges filed with IC-24 NLH.

Components of Specifically Assigned Charges 2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

			Corner Brook	Abitibi Cor	nsolidated	North Atlantic	Total	NF
			Pulp & Paper	S'ville	Grand Falls	Refining	Industrial	Power
Summary	:							
(1)	Operating and Mair	ntenance	99,281	27,311	796	58,169	185,557	618,402
(2)	Depreciation		36,705	30,070	281	54,979	122,036	727,761
(3)	Gain/Loss on Dispo	osal of Fixed Assets	243	238	5	325	812	3,984
(4)	Return on Debt		46,392	45,459	916	62,064	154,832	759,646
(5)	Return on Equity		8,494	8,323	168	11,363	28,347	139,076
(6)	Subtotal		191,115	111,402	2,166	186,900	491,584	2,248,868
(7)	Revenue Credit All	ocation:						
	Customer Spe	ecific Charges	<u>191,115</u>	111,402	2,166	186,900	491,584	2,248,868
	Customer Re	venue Reqmnt	52,283,791	52,283,791	52,283,791	52,283,791	52,283,791	222,490,492
	х	Customer Revenue Credit	(4,332)	(4,332)	(4,332)	(4,332)	(4,332)	(18,435)
			(16)	(9)	(0)	(15)	(41)	(186)
(8)	Deficit Allocation:							
	Customer Spe	ecific Charges	<u>191,115</u>	<u>111,402</u>	2,166	186,900	491,584	2,248,868
	Revenue Req	mnt	52,283,791	52,283,791	52,283,791	52,283,791	52,283,791	222,490,492
	х	Customer Deficit	0	0	0	0	0	36,389,000
			0	0	0	0	0	367,809
(9)	Total Specifically A	Assigned Charges	191,100	111,392	2,166	186,885	491,543	2,616,491

Corn	er Bro	ook Pulp & Paper			
					Sp Assigned Charge
Operating and Maintenance (O&M) Costs:					
(1) Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant	x	Transmission Lines O&M			
<u>0</u> 289,235,663	x	3,640,022		=	0
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	x	Terminal Stn O&M			
<u>2,140,496</u> 141,461,519	x	3,127,365		=	47,321
(3) Transmission Other: Customer Revenue <u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant		lit Transmission Other O&M			
<u>2,140,496</u> 430,697,182	x	1,351,249		=	6,715
(4) Administration & General Overheads: Administration & General O&M Overhead is determined specifically assigned overheads and then prorating to cust customer plant ratios. The total of specCustomer Deficit sum of items (a) to (h) below.					
 (a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant 	x	Transmission O&M Overhead			
<u>18,308,968</u> 430,697,182	x	2,069,447	=		87,972
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	x	Prod., Transmission & Distn C	0&M O/H		
<u>18,308,968</u> 1,594,150,032	x	0	=		0
(c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plant</u> Total Telecontrol Plant	x	Telecontrol O&M O/H			
<u>98.244</u> 269,144	x	0	=		0

Sp Assigned Charge
-
45,439
(12) (483)
300

					Sp Assigned Charge
Depreciation Expense:					0
(1) Transmission					0
(2) Terminal Stations					21,545
(3) Feasibility Studies					0
(4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined specifically assigned general plant allocations and then pro customer ratios. The total of specifically assigned general sum of items (a) and (b) below.	oratin	g to customers using individual			
 (a) General Plant Depreciation Allocation: <u>Specifically Assigned Direct O&M Expense</u> Total Direct O&M Expense 	x	Total Gen Plant Depreciation			
<u>414,948</u> 40,155,091	x	9,211,030	=	95,183	
(b) General Feas Studies & Software Depreciation Alloca <u>Spec Assigned Direct Feas Stu & Software Depn Exp</u> Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciation		
<u>724,468</u> 18,033,263	x	528,577	=	21,235	_
Total Specifically Assigned General Depreciation				116,419	
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned General	Depreciation E	xp	
<u>54,037</u> 414,948	x	116,419	=	=	15,161
Total Depreciation Expense					36,705

Co	er Brook Pulp & Paper	
		Sp Assigned Charge
Gain/Loss on Disposal of Assets: Gain/Loss on Disposal determined by first calculating total s Gain/Loss and then prorating to customers using individual of		B-
Total Specifically Assigned Gain/Loss on Disposal <u>Total Specific Net Book Value</u> Total Net Book Value	x Gain/Loss on Disposal	
<u>11,877,430</u> 1,276,638,287	x 515,443 =	4,796
Customer Share of Gain/Loss: <u>Customer NBV</u> Total Specifically Assigned Net Book Value	x Total Specifically Assigned Gain/Loss on	Disposal
<u>569,235</u> 11,220,639	x 4,796	= 243
Return on Debt: Return on Debt is determined by first calculating total specific return on debt and then prorating to customers using individu		
Total Specifically Assigned Return on Debt: <u>Total Specific Rate Base</u> Total Rate Base for Debt	x Return on Debt	
<u>12,818,316</u> 1,386,425,990	x 98,909,681 =	914,478
Customer Share of Return on Debt <u>Customer NBV</u> Total Specifically Assigned Net Book Value	x Total Specifically Assigned Return on Del	bt
<u>569,235</u> 11,220,639	x 914,478	= 46,392
Return on Equity: Return on equity is determined by first calculating total spec prorating to customers using individual customer plant ratios	cally assigned return on equity and then	
Total Specifically Assigned Return on Equity: <u>Total Specific Rate Base</u> Total Rate Base for Equity	x Return on Equity	
<u>12,818,316</u> 1,221,787,398	x 15,958,071 =	167,423
Customer Share of Return on Equity: <u>Customer NBV</u> Total Specifically Assigned Net Book Value	x Total Specifically Assigned Return on Equ	uity
<u>569,235</u> 11,220,639	x 167,423	= 8,494

Calculation of Specifically Assigned Charges

					Sp Assigned Charge
Operating and Maintenance (O&M) Costs:					
(1) Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant	x	Transmission Lines O&M			
<u>122,926</u> 289,235,663	х	3,640,022		=	1,547
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	x	Terminal Stn O&M			
<u>489,197</u> 141,461,519	x	3,127,365		=	10,815
(3) Transmission Other: Customer Revenu <u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant		lit Transmission Other O&M			
<u>612,123</u> 430,697,182	х	1,351,249		=	1,920
(4) Administration & General Overheads: Administration & General O&M Overhead is determined specifically assigned overheads and then prorating to cust customer plant ratios. The total of spec Customer Deficit sum of items (a) to (h) below.					
 (a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant 	x	Transmission O&M Overhead			
<u>18,308,968</u> 430,697,182	х	2,069,447	=		87,972
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	x	Prod., Transmission & Distn O	&M O/H		
<u>18,308,968</u> 1,594,150,032	х	0	=		0
 (c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plan</u>t Total Telecontrol Plant 	x	Telecontrol O&M O/H			
<u>98,244</u> 269,144	х	0	=		0

Calculation of Specifically Assigned Charges

		Stephenville			
					Sp Assigned Charge
(d) General Plant-related O&M Overhead: <u>Total Specifically Assigned Plant</u> Total Plant	x	General Plt-Related O&	zM O/H		
l otal Plant					
<u>19,960,843</u> 1,744,795,617	х	373,682	=	4,275	
(e) Prod,Trans,Distn Excl. Hydraulc& Hrood O&M OH: <u>Total Customer Transmsn & Term Stn Plant</u> Ttl Prod,Trans&Distn Plant Excl Hydro&Hrood Plt	x	Productn & Transmsn (D&M O/H		
<u>18,308,968</u> 565,109,831	x	1,727,795	=	55,979	
 (f) Property Insurance: <u>Total Cust Term Stn Plant + Allocated Gen Plt</u> Total Insured Plant 	x	Property Insurance			
<u>14,978,593</u> 1,356,951,524	x	1,139,916	=	12,583	
(g) Expense-Related (GTDC) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct O&M Expense	x	Expense-Related (GTD	C) O&M Overheads		
<u>414,948</u> 40,155,091	x	21,121,042	=	218,257	
(h) Expense-Related (GTD) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct GTD O&M Expense	x	Expense-Related (GTD) O&M Overheads		
<u>414,948</u> 38,730,885	x	896,296	=	9,603	_
Total Specifically Assigned O&M Overheads				388,669	
Customer Share of Overhead O&M Expense: <u>Customer Trans Line & Terminal Stn Plant</u> Total Customer Trans Line & Term Stn Plt	x	Total Spec. Assigned O	&M Overheads		
<u>612,123</u> 18,308,968	x	388,669		=	12,994
Expense Credit Allocation: Rental Income Other					(3) (138)
Revenue-Related					175
Total Operating & Maintenance Costs:					27,311

Calculation of Specifically Assigned Charges

AU	illoi	Stephenville			
					Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					1,449
(2) Terminal Stations					15,704
(3) Feasibility Studies					8,910
(4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined specifically assigned general plant allocations and then pro- customer ratios. The total of specifically assigned general sum of items (a) and (b) below.	ratin	g to customers using individual			
 (a) General Plant Depreciation Allocation: <u>Specifically Assigned Direct O&M Expense</u> Total Direct O&M Expense 	x	Total Gen Plant Depreciation			
<u>414,948</u> 40,155,091	x	9,211,030	=	95,183	
(b) General Feas Studies & Software Depreciation Allocat <u>Spec Assigned Direct Feas Stu & Software Depn Exp</u> Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciation	n	
<u>724,468</u> 18,033,263	x	528,577	=	21,235	
Total Specifically Assigned General Depreciation				116,419	
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned General	Depreciation	i Exp	
$\frac{14,282}{414,948}$	x	116,419		=	4,007
Total Depreciation Expense					30,070

Calculation of Specifically Assigned Charges

	Abitibi S	tephenville			
					Sp Assigned Charge
Gain/Loss on Disposal of Assets:					Charge
Gain/Loss on Disposal determined by first calculating total Gain/Loss and then prorating to customers using individual					
Total Specifically Assigned Gain/Loss on Disposal <u>Total Specific Net Book Value</u> Total Net Book Value	x (Gain/Loss on Disposal			
<u>11,877,430</u> 1,276,638,287	Х	515,443	=	4,796	
Customer Share of Gain/Loss:					
Customer NBV Total Specifically Assigned Net Book Value	X	Fotal Specifically Assigne	ed Gain/Loss of	n Disposal	
<u>557,787</u> 11,220,639	X	4,796		=	238
Return on Debt: Return on Debt is determined by first calculating total specir return on debt and then prorating to customers using individ					
Total Specifically Assigned Return on Debt: <u>Total Specific Rate Base</u> Total Rate Base for Debt	x I	Return on Debt			
<u>12,818,316</u> 1,386,425,990	x	98,909,681	=	914,478	
Customer Share of Return on Debt <u>Customer NBV</u> Total Specifically Assigned Net Book Value	x	Fotal Specifically Assigne	ed Return on D	ebt	
<u>557,787</u> 11,220,639	х	914,478		=	45,459
Return on Equity: Return on equity is determined by first calculating total spec prorating to customers using individual customer plant ratio		ssigned return on equity a	nd then		
Total Specifically Assigned Return on Equity: <u>Total Specific Rate Base</u> Total Rate Base for Equity	x l	Return on Equity			
<u>12,818,316</u> 1,221,787,398	x	15,958,071	=	167,423	
Customer Share of Return on Equity: <u>Customer NBV</u> Total Specifically Assigned Net Book Value	X	Total Specifically Assigne	ed Return on Eo	quity	
<u>557,787</u> 11,220,639	х	167,423		=	8,323

Calculation of Specifically Assigned Charges 2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

	Abitibi	Grand Falls			
					Sp Assigned Charge
Operating and Maintenance (O&M) Costs:					
(1) Transmission:					
Customer Transmission Plant	х	Transmission Lines O&M			
Total Transmission Plant					
<u>0</u>	х	3,640,022		=	0
289,235,663	A	5,010,022			Ŭ
(2) Terminal Stations:					
Customer Terminal Stn Plant	х	Terminal Stn O&M			
Total Terminal Stn Plant					
17,148	х	3,127,365		=	379
141,461,519		0,127,000			017
(3) Transmission Other: Customer Reven	ue Credi	it			
Customer Transmsn & Term Stn Plant		Transmission Other O&M			
Total Transmsn & Term Stn Plant					
17,148	х	1,351,249		=	54
430,697,182		1,001,219			0.1
 (4) Administration & General Overheads: Administration & General O&M Overhead is determine specifically assigned overheads and then prorating to cu customer plant ratios. The total of spec Customer Defici sum of items (a) to (h) below. 	stomers				
(a) Transmission O&M Overhead:					
<u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	x	Transmission O&M Overhead			
18,308,968	х	2,069,447	=		87,972
430,697,182		_,,			0,,,,,
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	x	Prod., Transmission & Distn O	&M O/H		
<u>18,308,968</u>	х	0	=		0
1,594,150,032					
 (c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plant</u> Total Telecontrol Plant 	x	Telecontrol O&M O/H			
98,244	х	0	=		0
269,144					

Calculation of Specifically Assigned Charges 2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

	At	oitibi	Grand Falls			
						Sp Assigned Charge
(d)	General Plant-related O&M Overhead: <u>Total Specifically Assigned Plant</u> Total Plant	x	General Plt-Related O&N	И О/Н		C
	<u>19,960,843</u> 1,744,795,617	x	373,682	=	4,275	
(e)	Prod, Trans, Distn Excl. Hydraulc& Hrood O&M OH: <u>Total Customer Transmsn & Term Stn Plant</u> Ttl Prod, Trans&Distn Plant Excl Hydro&Hrood Plt	x	Productn & Transmsn Od	&M O/H		
	<u>18,308,968</u> 565,109,831	x	1,727,795	=	55,979	
(f)	Property Insurance: <u>Total Cust Term Stn Plant + Allocated Gen Pl</u> t Total Insured Plant	x	Property Insurance			
	<u>14,978,593</u> 1,356,951,524	x	1,139,916	=	12,583	
(g)	Expense-Related (GTDC) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct O&M Expense	x	Expense-Related (GTDC) O&M Overheads		
	40,155,091	x	21,121,042	=	218,257	
(h)	Expense-Related (GTD) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct GTD O&M Expense	x	Expense-Related (GTD)	O&M Overheads		
	<u>414,948</u> 38,730,885	x	896,296	=	9,603	_
Tot	al Specifically Assigned O&M Overheads				388,669	
Cus	tomer Share of Overhead O&M Expense: <u>Customer Trans Line & Terminal Stn Plant</u> Total Customer Trans Line & Term Stn Plt	x	Total Spec. Assigned O&	M Overheads		
	<u>17,148</u> 18,308,968	x	388,669		=	364
) Exp	eense Credit Allocation: Rental Income Other					(0) (4)
) Rev	venue-Related					3
	Total Operating & Maintenance Costs:					796

Calculation of Specifically Assigned Charges 2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

				S	Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					0
(2) Terminal Stations					160
(3) Feasibility Studies					0
(4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined specifically assigned general plant allocations and then pro customer ratios. The total of specifically assigned general sum of items (a) and (b) below.	oratin	g to customers using individu	ual		
 (a) General Plant Depreciation Allocation: <u>Specifically Assigned Direct O&M Expense</u> Total Direct O&M Expense 	x	Total Gen Plant Depreciatio	'n		
<u>414,948</u> 40,155,091	x	9,211,030	=	95,183	
(b) General Feas Studies & Software Depreciation Alloca <u>Spec Assigned Direct Feas Stu & Software Depn Exp</u> Total Direct Depreciation Expense		Total Feas Studies & Softwa	are Depreciati	ion	
<u>724,468</u> 18,033,263	x	528,577	=	21,235	
Total Specifically Assigned General Depreciation				116,419	
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned Gener	al Depreciatio	on Exp	
<u>433</u> 414,948	x	116,419		=	121
Total Depreciation Expense				-	281

Calculation of Specifically Assigned Charges 2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

	Abitibi	Grand Falls			
					Sp Assigned Charge
Gain/Loss on Disposal of Assets:					U
Gain/Loss on Disposal determined by first calculating total s					
Gain/Loss and then prorating to customers using individual of	customer	plant ratios:			
Total Specifically Assigned Gain/Loss on Disposal					
Total Specific Net Book Value	х	Gain/Loss on Disposal			
Total Net Book Value		•			
<u>11,877,430</u>	х	515,443	=	4,796	
1,276,638,287					
Customer Share of Gain/Loss:					
Customer NBV	x	Total Specifically Assigned	d Gain/Loss or	n Disposal	
Total Specifically Assigned Net Book Value				i Dioposui	
<u>11,236</u>	х	4,796		=	5
11,220,639					
Return on Debt:					
Return on Debt is determined by first calculating total specifi					
return on debt and then prorating to customers using individu	ual custo	mer plant ratios:			
Total Specifically Assigned Return on Debt:					
Total Specific Rate Base	v	Return on Debt			
Total Rate Base for Debt	~				
12,818,316	х	98,909,681	=	914,478	
1,386,425,990					
Customer Share of Return on Debt		T (10 °C 11 A °	1D (D	1.	
Customer NBV Total Specifically, Acciented Nat Book Value	х	Total Specifically Assigned	a Return on De	ebt	
Total Specifically Assigned Net Book Value					
<u>11,236</u>	x	914,478		=	916
11,220,639		,, . , .			
1,-20,009					
Return on Equity:					
Return on equity is determined by first calculating total spec		ssigned return on equity an	id then		
prorating to customers using individual customer plant ratios	3:				
Total Georgifically, Assigned Datum on Fourity					
Total Specifically Assigned Return on Equity: Total Specific Rate Base		Return on Equity			
Total Rate Base for Equity	А	Return on Equity			
Four rate base for Equity					
<u>12,818,316</u>	х	15,958,071	=	167,423	
1,221,787,398		, ,		,	
Customer Share of Return on Equity:					
Customer NBV	х	Total Specifically Assigned	d Return on Ec	luity	
Total Specifically Assigned Net Book Value					
11 226		167 400		_	1.00
<u>11,236</u>	Х	167,423		=	168
11,220,639					

Calculation of Specifically Assigned Charges

2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations) North Atlantic Refining Limited

		U			S	Sp Assigned Charge
Operating and Maintenance (O&M) Costs:						
 Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant 	x	Transmission Lines O&M				
<u>0</u> 289,235,663	x	3,640,022		=		0
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	x	Terminal Stn O&M				
<u>1,251,577</u> 141,461,519	x	3,127,365		=		27,669
(3) Transmission Other: Customer Revenu <u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant		lit Transmission Other O&M				
<u>1,251,577</u> 430,697,182	x	1,351,249		=		3,927
(4) Administration & General Overheads: Administration & General O&M Overhead is determined specifically assigned overheads and then prorating to cus customer plant ratios. The total of spec Customer Deficit sum of items (a) to (h) below.	tomers					
 (a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant 	x	Transmission O&M Overhead				
<u>18,308,968</u> 430,697,182	x	2,069,447	=		87,972	
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	x	Prod., Transmission & Distn O	&M O/H			
<u>18,308,968</u> 1,594,150,032	x	0	=		0	
(c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plan</u> t Total Telecontrol Plant	x	Telecontrol O&M O/H				
<u>98,244</u> 269,144	х	0	=		0	

Calculation of Specifically Assigned Charges

2004 Test Year (May 2003 Appli	cation w/ F	Revised	Specifical	ly Assigned Calculations)

North Atlantic Refining Limited

North At	Janu	c Relining Limited			
					Sp Assigned Charge
(d) General Plant-related O&M Overhead: <u>Total Specifically Assigned Plant</u> Total Plant	x	General Plt-Related O&	M O/H		
<u>19,960,843</u> 1,744,795,617	x	373,682	=	4,275	
(e) Prod,Trans,Distn Excl. Hydraulc& Hrood O&M OH: <u>Total Customer Transmsn & Term Stn Plant</u> Ttl Prod,Trans&Distn Plant Excl Hydro&Hrood Plt	x	Productn & Transmsn O	&M O/H		
<u>18,308,968</u> 565,109,831	x	1,727,795	=	55,979	
(f) Property Insurance: <u>Total Cust Term Stn Plant + Allocated Gen Plt</u> Total Insured Plant	x	Property Insurance			
<u>14,978,593</u> 1,356,951,524	x	1,139,916	=	12,583	
(g) Expense-Related (GTDC) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct O&M Expense	x	Expense-Related (GTDC	C) O&M Overheads		
<u>414,948</u> 40,155,091	x	21,121,042	=	218,257	
(h) Expense-Related (GTD) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct GTD O&M Expense	x	Expense-Related (GTD)	O&M Overheads		
<u>414,948</u> 38,730,885	x	896,296	=	9,603	_
Total Specifically Assigned O&M Overheads				388,669	
Customer Share of Overhead O&M Expense: <u>Customer Trans Line & Terminal Stn Plant</u> Total Customer Trans Line & Term Stn Plt	x	Total Spec. Assigned O&	&M Overheads		
<u>1,251,577</u> 18,308,968	x	388,669		=	26,569
(4) Expense Credit Allocation: Rental Income Other					(7) (283)
(5) Revenue-Related					294
Total Operating & Maintenance Costs:					58,169

Calculation of Specifically Assigned Charges

2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

North Atlantic Refining Limited

	iunti				Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					0
(2) Terminal Stations					46,114
(3) Feasibility Studies					0
(4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined specifically assigned general plant allocations and then pro customer ratios. The total of specifically assigned general sum of items (a) and (b) below.	ratin	g to customers using individual			
 (a) General Plant Depreciation Allocation: <u>Specifically Assigned Direct O&M Expense</u> Total Direct O&M Expense 	x	Total Gen Plant Depreciation			
<u>414,948</u> 40,155,091	x	9,211,030	=	95,183	
(b) General Feas Studies & Software Depreciation Allocal <u>Spec Assigned Direct Feas Stu & Software Depn Exp</u> Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciation		
<u>724,468</u> 18,033,263	x	528,577	=	21,235	
Total Specifically Assigned General Depreciation				116,419	
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned General	Depreciation I	Exp	
<u>31,596</u> 414,948	x	116,419		=	8,865
Total Depreciation Expense					54,979

Calculation of Specifically Assigned Charges

Charg Gain/Loss on Disposal of Assets: Gain/Loss on Disposal determined by first calculating total specifically assigned Gain/Loss and then protating to customers using individual customer plant ratios: Image: Comparison of Comp	2004 Test Year (May 2003 Appl	ication w/			
GairLoss on Disposal determined by first calculating total specifically assigned Gair/Loss on Disposal Total Specifically Assigned Gair/Loss on Disposal x Gair/Loss on Disposal Total Specifically Assigned Gair/Loss x 515,443 = 4,796 1,276,638,287 x 515,443 = 4,796 Customer Share of Gair/Loss: x x Total Specifically Assigned Net Book Value x Total Specifically Assigned Net Book Value 761,531 x 4,796 = .3 Return on Debt: return on Debt x 4,796 = .3 Return on Debt: x 4,796 = .3 Total Specifically Assigned Return on Debt: x 4,796 = .3 Total Specifically Assigned Return on Debt: x Return on Debt					Sp Assign Charge
Gain/Loss and then prorating to customers using individual customer plant ratios: Total Specifically Assigned Gain/Loss on Disposal Total Net Book Value x Gain/Loss on Disposal Total Net Book Value x Gain/Loss on Disposal 11,827,430 x 515,443 = 4,796 Customer Share of Gain/Loss: Customer Share of Gain/Loss: Total Specifically Assigned Net Book Value 761,531 x 4,796 = 3 Return on Debt: Return on Debt: Total Specifically Assigned Return on Debt Customer Share of Return on Debt Total Specifically Assigned Net Book Value Total Specifically Assigned Net Book Value Total Specifically Assigned Return on Debt Customer Share of Return on Debt Customer Share of Return on Debt Return on Customer Share of Return on Debt Total Specifically Assigned Net Book Value Total Specifically Assigned Net Book Value Total Specifically Assigned Net Book Value Total Specifically Assigned Return on Debt Total Specifically Assigned Net Book Value Total Specifically Assigned Return on Debt Total Specifically Assigned Return on Equity Total Specifically Assigned Return on Equity: Total Specifically Assign					8-
Total Specific Net Book Value Total Net Book ValuexGain/Loss on Disposal11.8272.430 1.276.638,287x $515,443$ =4,796Customer Share of Gain/Loss: Customer NBV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Gain/Loss on Disposal 261.531 11,220,639x $4,796$					
Total Specific Net Book ValuexGain/Loss on Disposal11.8272.430x $515,443$ = $4,796$ 12.76.638.287xTotal Specifically Assigned Gain/Loss on DisposalCustomer Share of Gain/Loss: Customer NBV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Gain/Loss on Disposal $\frac{761.531}{11,220,639}$ x $4,796$ =	Total Specifically Assigned Gain/Loss on Disposal				
$\frac{11.877.430}{1.276.638.287}$ x 515,443 = 4,796 Customer NBV Total Specifically Assigned Net Book Value $\frac{761.531}{11.220,639}$ x 7 total Specifically Assigned Met Book Value $\frac{761.531}{11.220,639}$ x 4,796 = 3 Customer NBV Return on Debt is determined by first calculating total specifically assigned return on debt and then protating to customers using individual customer plant ratios: Total Specifically Assigned Return on Debt $\frac{12.818,316}{1.386,425,990}$ x 98,909,681 = 914,478 Customer NBV Total Specifically Assigned Net Book Value $\frac{761.531}{1.220,639}$ x 1otal Specifically Assigned Return on Debt $\frac{761.531}{1.220,639}$ x 1otal Specifically Assigned Return on Debt $\frac{761.531}{1.220,639}$ x 914,478 = 62,00 Customer Share of Return on Equity: $\frac{761.531}{1.220,639}$ x 914,478 = 62,00 Customer Share of Return on Equity: $\frac{761.531}{1.220,639}$ x 1otal Specifically Assigned Return on Equity: $\frac{761.531}{1.220,639}$ x Return on equity is determined by first calculating total specifically assigned return on equity and then protup customers using individual customer plant ratios: $\frac{761.531}{1.220,639}$ x 1014,478 = 62,00 Customer Method State Plant Plan		x C	Gain/Loss on Disposal		
1.276,638,287Customer NBV Total Specifically Assigned Net Book Valuex $761,5311,220,639$ x 4.796 = $31,220,639$ Return on Debt: Return on Debt Total Specifically Assigned Return on Debt: Total Specifically Assigned Return on Debt $1,220,639$ Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios:Total Specifically Assigned Return on Debt: Total Specifically Base Total Rate Base Total Rate Base Total Specifically Assigned Net Book Value $12,818,316$ $1,386,425,990$ Customer NBV Total Specifically Assigned Net Book Value $761,531$ $1,220,639$ Return on Equity Total Specifically Assigned Return on Debt Customer NBV Total Specifically Assigned Net Book Value $761,531$ $1,220,639$ Return on Equity: Total Specifically Assigned Return on Debt Total Specifically Assigned Net Book Value $761,531$ $1,220,639$ Return on Equity: Total Specifically Assigned Return on Equity: Total Rate Base for Equity $12,818,316$ $1,221,787,398$ x $12,818,316$ $1,221,787,398$ xx12,818,316 $1,221,787,398$ xxxxxxxxxxx <tr< td=""><td>Total Net Book Value</td><td></td><td></td><td></td><td></td></tr<>	Total Net Book Value				
Customer Share of Gain/Loss: x Total Specifically Assigned Ket Book Value $\underline{761,531}$ x 4,796 = 32 Return on Debt: Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios: X Return on Debt Total Specific Alte Base x Return on Debt Return on Debt Total Specific Rate Base x Return on Debt Total Specific Rate Base x Return on Debt 1,2818.316 x 98,909,681 = 914,478 1,386,425,5990 x Total Specifically Assigned Return on Debt x Total Specifically Assigned Return on Debt Customer NBW Total Specifically Assigned Net Book Value x Total Specifically Assigned Return on Debt Customer NBRe of Return on Debt x 10,478 = 62,00 Return on Equity x 914,478 = 62,00		х	515,443	=	4,796
Customer NBV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Gain/Loss on Disposal $\frac{761.531}{11,220,639}$ x $4,796$ = 3 Return on Debt: Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios:Total Specific Rate Base Total Specific Rate Base Total Rate Base for Debt12.818.316 1.386,425,990x98,909,681=914,478Customer NBAV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Return on Debt Customer NBAV Total Specifically Assigned Net Book Valuex104,478=62,00Return on Cebit Customer NBAV Total Specifically Assigned Return on Debt Customer NBAV Total Specifically Assigned Net Book Valuex104,478=62,00Return on Equity: Total Specifically Assigned Return on Debt Total Specifically Assigned Return on Equity: Total Specific Rate Base Total Specific Rate Base Total Specific Rate Base Total Rate Base for EquityxReturn on Equity12.818.316 1.221,787,398x15,958,071=167,423	1,276,638,287				
Total Specifically Assigned Net Book ValueX4,796=3 $\frac{761,531}{11,220,639}$ x4,796=3Return on Debt:Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios:Total Specifically Assigned Return on Debt:XReturn on DebtTotal Specifically Assigned Return on Debt:YPTotal Rate BaseXReturn on Debt12.818.316X98,909,681=13.86,425,990X98,909,681=Customer Share of Return on DebtXTotal Specifically Assigned Net Book ValueTotal Specifically Assigned Net Book ValueX914,478761,531X914,478=62,00Customer Share of Return on DebtXTotal Specifically Assigned Net Book ValueX914,478761,531X914,478=62,00Customers using individual customer plant ratios:20,000Total Specifically Assigned Return on Equity:X914,47871,220,639X914,478=62,00Customers using individual customer plant ratios:Total Specifically Assigned Return on Equity:X12,818,316701 Specifically Assigned Return on Equity:XReturn on Equity12,818,316X15,958,071=12,211,787,398X15,958,071=12,211,787,398X15,958,071=12,211,787,398X	Customer Share of Gain/Loss:				
$\underline{761,531}$ x $4,796$ =33 Return on DebtReturn on DebtReturn on Debt $12,20,639$ =33 Return on Debt Signed Return on Debt $12,818,316$ xReturn on Debt $\underline{12,818,316}$ x98,909,681=914,478 $\underline{13,86,425,990}$ xTotal Specifically Assigned Net Book ValuexTotal Specifically Assigned Net Book Value $\underline{761,531}$ x914,478=62,00 Return on Equity: x914,478=12,200 Return on Equity: x914,478=162,000 Return on Equity: xx810,000x <td></td> <td>x T</td> <td>otal Specifically Assi</td> <td>gned Gain/Loss on Dis</td> <td>posal</td>		x T	otal Specifically Assi	gned Gain/Loss on Dis	posal
11,220,639 Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios: Total Specifically Assigned Return on Debt: Total Specifically Assigned Return on Debt: Total Specifically Assigned Return on Debt Total Rate Base Total Rate Base for Debt 12.818.316 X Customer Share of Return on Debt Customer Share of Return on Equity 11,220,639 Return on Equity: Total Specifically Assigned Return on Equity Total Specifically Assigned Return on Equity <	Total Specifically Assigned Net Book Value				
Return on Debt is Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios: Total Specifically Assigned Return on Debt: Total Specific Rate Base x Return on Debt x 12.818.316 x 98,909,681 = 914,478 12.818.316 x 98,909,681 = 914,478 Customer Share of Return on Debt x Total Specifically Assigned Return on Debt Customer NBV x Total Specifically Assigned Return on Debt <u>Customer NBV</u> x Total Specifically Assigned Return on Debt 11,220,639 x 914,478 = 62,00 Return on Equity: x 914,478 = 62,00 Return on Equity: x 914,478 = 62,00 Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios: x x 81,478 Total Specific Rate Base x x Return on Equity 12,818,316 x 15,958,071 = 167,423	<u>761,531</u>	х	4,796	=	= 32
Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios: Total Specific Rate Base Total Rate Base for Debt 12.818.316 1,386.425,990 Customer Share of Return on Debt Customer NBV Total Specifically Assigned Net Book Value $\frac{761.531}{11,220,639}$ X 914.478 = 62.00 Return on Equity: Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customer suing individual customer plant ratios: Total Specifically Assigned Return on Equity: Total Specifically Assigned Return on Equity: $\frac{701.531}{11,220,639}$ X 914.478 = 62.00 Return on Equity: Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios: Total Specific Rate Base for Equity $\frac{12.818.316}{1,221,787,398}$ X 15,958,071 = 167,423	11,220,639				
Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios: Total Specific Rate Base x Return on Debt Total Rate Base for Debt 12.818.316 x 98,909,681 = 914,478 Customer Share of Return on Debt Customer NBV x Total Specifically Assigned Return on Debt Total Specifically Assigned Net Book Value $\frac{761,531}{11,220,639}$ x 914,478 = 62.00 Return on Equity: Return on Equity: Total Specifically Assigned Return on Equity: Total Specifically Assigned Return on Equity: $\frac{701}{12,818,316}$ x Return on Equity Total Specifically Assigned Return on Equity: $\frac{701}{12,818,316}$ x Return on Equity $\frac{12,818,316}{1,221,787,398}$ x 15,958,071 = 167,423	Return on Debt:				
Total Specifically Assigned Return on Debt: Total Rate Base for Debt $12.818.316$ $1.386.425.990$ x98,909,681=914,478Customer Share of Return on Debt Customer Share of Return on Debt Customer NBV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Return on Debt x 2000 $21.818.316$ $11,220,639$ x914,478= 62.01 Return on Equity: Total Specifically Assigned Return on Equity: Total Rate Base for EquityxReturn on Equity x $12.818.316$ $1.221,787,398$ x15,958,071=167,423	Return on Debt is determined by first calculating total specifi				
Total Specific Rate Base Total Rate Base for DebtxReturn on Debt $12,818,316$ $1,386,425,990$ x $98,909,681$ = $914,478$ Customer Share of Return on Debt Customer NBV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Return on Debt $\frac{761,531}{11,220,639}$ x $914,478$ = $62,00$ Return on Equity: Total Specifically Assigned Return on Equity: Total Specifically Assigned Return on Equity: Total Specific Rate Base Total Rate Base for EquityxReturn on Equity and then prorating to customers using individual customer plant ratios:Total Specific Rate Base Total Rate Base for EquityxReturn on Equity: Total Rate Base for Equity $12,818,316$ $1,221,787,398$ x $15,958,071$ = $167,423$			F		
Total Rate Base for Debt $12.818.316$ $1.386,425,990$ x $98,909,681$ = $914,478$ Customer Share of Return on Debt Customer NBV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Return on Debt $\frac{761,531}{11,220,639}$ x $914,478$ = $62,00$ Return on Equity: Return on equity is determined by first calculating total specifically assigned return on equity and then ororating to customers using individual customer plant ratios:Total Specifically Assigned Return on Equity: Total Specific Rate Base Total Rate Base for EquityxReturn on Equity $\frac{12,818,316}{1,221,787,398}$ x $15,958,071$ = $167,423$		n			
$12.818.316$ $1,386,425,990$ x $98,909,681$ = $914,478$ Customer Share of Return on Debt Customer NBV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Return on Debt $\frac{761,531}{11,220,639}$ x $914,478$ = $62,00$ Ceturn on Equity:Total Specifically Assigned Return on Equity is determined by first calculating total specifically assigned return on equity and then brorating to customers using individual customer plant ratios:Total Specific Rate Base Total Specific Rate Base Total Rate Base for Equity $\frac{12,818,316}{1,221,787,398}$ x $15,958,071$ = $167,423$		X R	leturn on Debt		
1,386,425,990Customer Share of Return on Debt Customer NBV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Return on Debt $\frac{761,531}{11,220,639}$ x914,478=62,00Return on Equity: Return on Equity: Return on equity is determined by first calculating total specifically assigned return on equity and then ororating to customers using individual customer plant ratios:Total Specifically Assigned Return on Equity: Total Specific Rate Base Total Rate Base for EquityxReturn on Equity12,818,316 1,221,787,398x15,958,071=167,423					
Customer Share of Return on Debt <u>Customer NBV</u> Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Return on Debt $\frac{761,531}{11,220,639}$ x914,478=62,00Return on Equity: corrating to customers using individual customer plant ratios:xReturn on equity and then orrating to customers using individual customer plant ratios:Total Specifically Assigned Return on Equity: Total Specific Rate Base Total Rate Base for EquityxReturn on Equity $12,818,316$ $1,221,787,398$ x15,958,071=167,423		х	98,909,681	=	914,478
Customer NBV Total Specifically Assigned Net Book ValuexTotal Specifically Assigned Return on Debt $\frac{761,531}{11,220,639}$ x914,478=62,00Return on Equity: Return on equity is determined by first calculating total specifically assigned return on equity and then brorating to customers using individual customer plant ratios:ssigned return on equity and then brorating to customers using individual customer plant ratios:Total Specific Rate Base Total Specific Rate Base Total Rate Base for EquityxReturn on Equity: t x12,818,316 1,221,787,39812,818,316 1,221,787,398x15,958,071=167,423	1,386,425,990				
Total Specifically Assigned Net Book Value $761,531$ x914,478= $62,00$ 11,220,639x914,478= $62,00$ Return on Equity:Return on Equity:Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios:Total Specifically Assigned Return on Equity:Total Specific Rate BasexReturn on EquityTotal Specific Rate BasexReturn on EquityTotal Rate Base for Equityx15,958,071=12,818,316x15,958,071=1,221,787,398x15,958,071=	Customer Share of Return on Debt				
$\frac{761,531}{11,220,639}$ Return on Equity: Return on Equity: Return on equity is determined by first calculating total specifically assigned return on equity and then brorating to customers using individual customer plant ratios: Total Specifically Assigned Return on Equity: Total Specific Rate Base x Return on Equity Total Rate Base for Equity $\frac{12,818,316}{1,221,787,398}$ x 15,958,071 = 167,423		x T	otal Specifically Assi	gned Return on Debt	
11,220,639 Return on Equity: Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios: Total Specifically Assigned Return on Equity: Total Specific Rate Base x Return on Equity x Return on Equity x I2,818,316 x 1,221,787,398 x	Total Specifically Assigned Net Book Value				
Return on Equity: Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios: Total Specifically Assigned Return on Equity: Total Specific Rate Base x Return on Equity Return on Equity Total Specific Rate Base x Return on Equity Return on Equity Total Rate Base for Equity 12,818,316 1,221,787,398	761,531	x	914,478	=	= 62,06
Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios:Total Specifically Assigned Return on Equity: Total Specific Rate BasexReturn on EquityTotal Rate Base for Equityx12,818,316 1,221,787,398x15,958,071=167,423	11,220,639				
Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios:Total Specifically Assigned Return on Equity: 					
prorating to customers using individual customer plant ratios:Total Specifically Assigned Return on Equity: $\underline{Total Specific Rate Base}$ x Return on EquityTotal Rate Base for Equityx 15,958,071 $\underline{12,818,316}$ x 15,958,0711,221,787,398x 15,958,071					
Total Specific Rate BasexReturn on EquityTotal Rate Base for Equity x $15,958,071$ = $167,423$ $1,221,787,398$ x $15,958,071$ = $167,423$			signed return on equit	y and then	
Total Rate Base for Equity $12,818,316$ x15,958,071=167,4231,221,787,398167,423	Total Specifically Assigned Return on Equity:				
$\frac{12,818,316}{1,221,787,398}$ x 15,958,071 = 167,423	Total Specific Rate Base	x R	leturn on Equity		
1,221,787,398	Total Rate Base for Equity				
		х	15,958,071	=	167,423
Customer Shere of Peture on Fauity	1,221,787,398				
Customer shale of Relation of Equity.	Customer Share of Return on Equity:				
<u>Customer NBV</u> x Total Specifically Assigned Return on Equity		x T	otal Specifically Assi	gned Return on Equity	
Total Specifically Assigned Net Book Value			-		
$\frac{761,531}{2}$ x 167,423 = 11,30	761.531	x	167.423	=	= 11,36
11,220,639					

Calculation of Specifically Assigned Charges

2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

N	lewfour	ndland Power			
					Sp Assigned Charge
Operating and Maintenance (O&M) Costs:					
 Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant 	X	Transmission Lines O&M			
<u>4,839,976</u> 289,235,663	x	3,640,022		=	60,911
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	x	Terminal Stn O&M			
<u>9,447,648</u> 141,461,519	х	3,127,365		=	208,864
(3) Transmission Other: Customer Reven	ue Cred	it			
<u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant		Transmission Other O&M			
<u>14,287,624</u> 430,697,182	x	1,351,249		=	44,825
(4) Administration & General Overheads: Administration & General O&M Overhead is determine specifically assigned overheads and then prorating to cur customer plant ratios. The total of specCustomer Deficit sum of items (a) to (h) below.	stomers				
 (a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant 	X	Transmission O&M Overhead			
<u>18,308,968</u> 430,697,182	x	2,069,447	=	87,9	072
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	X	Prod., Transmission & Distn O	&M O/H		
<u>18,308,968</u> 1,594,150,032	x	0	=		0
(c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plan</u> t Total Telecontrol Plant	x	Telecontrol O&M O/H			
<u>98,244</u> 269,144	x	0	=		0

Calculation of Specifically Assigned Charges

2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

viou				
				Sp Assigned Charge
x	General Plt-Related O&	M O/H		
x	373,682	=	4,275	
x	Productn & Transmsn C	0&M O/H		
x	1,727,795	=	55,979	
x	Property Insurance			
x	1,139,916	=	12,583	
x	Expense-Related (GTD)	C) O&M Overheads		
x	21,121,042	=	218,257	
x	Expense-Related (GTD)	O&M Overheads		
x	896,296	=	9,603	_
			388,669	
x	Total Spec. Assigned O	&M Overheads		
x	388,669		=	303,302
				(53) (3,227)
				3,779
				618,402
	x x x x x x x x x x x x x	 x 373,682 x Productn & Transmsn C x 1,727,795 x Property Insurance x 1,139,916 x Expense-Related (GTD) x 21,121,042 x Expense-Related (GTD) x 896,296 x Total Spec. Assigned O 	 x General Plt-Related O&M O/H x 373,682 = x Productn & Transmsn O&M O/H x 1,727,795 = x 1,727,795 = x Property Insurance x 1,139,916 = x Expense-Related (GTDC) O&M Overheads x 21,121,042 = x Expense-Related (GTD) O&M Overheads x 896,296 = x Total Spec. Assigned O&M Overheads 	x General Plt-Related O&M O/H x 373,682 = 4,275 x Productn & Transmsn O&M O/H

Calculation of Specifically Assigned Charges

2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

INGW	IOui	ndland Power			
				ł	Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					226,143
(2) Terminal Stations					413,353
(3) Feasibility Studies					0
(4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined by specifically assigned general plant allocations and then pror customer ratios. The total of specifically assigned general d sum of items (a) and (b) below.	atin	g to customers using individual			
 (a) General Plant Depreciation Allocation: <u>Specifically Assigned Direct O&M Expense</u> Total Direct O&M Expense 	x	Total Gen Plant Depreciation			
<u>414,948</u> 40,155,091	x	9,211,030	=	95,183	
(b) General Feas Studies & Software Depreciation Allocati <u>Spec Assigned Direct Feas Stu & Software Depn Exp</u> Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciatio	n	
<u>724,468</u> 18,033,263	x	528,577	=	21,235	
Total Specifically Assigned General Depreciation				116,419	
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned General	Depreciation	ı Exp	
<u>314,600</u> 414,948	x	116,419		=	88,265
Total Depreciation Expense					727,761

Calculation of Specifically Assigned Charges

2004 Test Year (May 2003 Application w/ Revised Specifically Assigned Calculations)

			Sp Assigned Charge
Gain/Loss on Disposal of Assets: Gain/Loss on Disposal determined by first calculating total spe Gain/Loss and then prorating to customers using individual customers.			
Total Specifically Assigned Gain/Loss on Disposal <u>Total Specific Net Book Value</u> Total Net Book Value	x	Gain/Loss on Disposal	
<u>11,877,430</u> 1,276,638,287	x	515,443 =	4,796
Customer Share of Gain/Loss: <u>Customer NBV</u> Total Specifically Assigned Net Book Value	x	Total Specifically Assigned Gain/Loss on Disposal	
<u>9,320,850</u> 11,220,639	х	4,796 =	3,984
Return on Debt: Return on Debt is determined by first calculating total specific return on debt and then prorating to customers using individua			
Total Specifically Assigned Return on Debt: <u>Total Specific Rate Base</u> Total Rate Base for Debt	x	Return on Debt	
<u>12,818,316</u> 1,386,425,990	x	98,909,681 = 91	4,478
Customer Share of Return on Debt <u>Customer NBV</u> Total Specifically Assigned Net Book Value	x	Total Specifically Assigned Return on Debt	
<u>9,320,850</u> 11,220,639	x	914,478 =	759,646
Return on Equity: Return on equity is determined by first calculating total specifi prorating to customers using individual customer plant ratios:	cally	assigned return on equity and then	
Total Specifically Assigned Return on Equity: <u>Total Specific Rate Base</u> Total Rate Base for Equity	x	Return on Equity	
<u>12,818,316</u> 1,221,787,398	x	15,958,071 = 16	7,423
Customer Share of Return on Equity: <u>Customer NBV</u> Total Specifically Assigned Net Book Value	x	Total Specifically Assigned Return on Equity	
<u>9,320,850</u> 11,220,639	x	167,423 =	139,076