

1 Q. Ref: Schedule B, Project Title - Service Extensions, p. B-39. Please provide
2 data on the average yearly expenditures as detailed by year for each of the
3 years of the period selected (1998-2002).

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6 A. Actual annual expenditures for Service Extensions for the period 1998-2002
7 are provided in the following table.

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Region	Actual Annual Expenditures (\$000)				
	1998	1999	2000	2001	2002
Central	321	454	399	579	631
Northern	306	417	381	566	530
Labrador	436	379	582	621	787
Total	1,063	1,250	1,362	1,766	1,948

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10 These historical costs were converted to 2002 dollars using the GDP Implicit
11 Price Deflator and 5-year averages calculated. These averages were then
12 escalated assuming a rate of approximately 2% in 2003 and 2004 to
13 determine the total 2004 capital budget estimate.