

1 Q. Ref: Schedule B, Project Title - Upgrade Distribution Systems, p. B-41.  
2 Please provide data on the average yearly expenditures as detailed by year  
3 for each of the years of the period selected (1998-2002).

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6 A. Actual annual expenditures for Distribution System Upgrades for the period  
7 1998-2002 are provided in the following table.

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Region	Actual Annual Expenditures (\$000)				
	1998	1999	2000	2001	2002
Central	378	666	583	459	429
Northern	586	301	754	454	803
Labrador	139	380	416	183	443
<b>Total</b>	1,103	1,347	1,753	1,096	1,675

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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.