

1 Q Reference: Corporate Overview: Evidence, p. 12 (lines 16-18) where it states
2 *“Despite uncontrollables such as fuel price and interest rate increases, there*
3 *are many costs Hydro is able to manage effectively for the benefit of*
4 *consumers.”* Please indicate what Hydro considers to be controllable costs?
5 Please provide, in table format, a schedule of controllable costs broken down
6 into its components for the years 2000 to projected 2008.

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9 A. Hydro refers to its operating expenses as detailed in Schedule 1 page 10 of
10 10 to Mr. Bradbury's evidence as controllable to some extent. Please refer
11 also to response to IC 148 NLH.

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13 Requested data for years 2002-2007 is presented in Schedule 1 as noted
14 above. Data for 2008 is not available. Data for years 2000 and 2001 are as
15 follows:

	(\$ thousands)	
	2000	2001
Operating Expenses		
Salaries and Fringe Benefits	61,266	61,729
Hydro Capitalized Expense	<u>(7,219)</u>	<u>(8,977)</u>
Net Salaries	54,047	52,752
Systems Equipment Maintenance	18,977	17,445
Insurance	1,037	949
Transportation	2,390	1,858
Office supplies	2,081	1,872
Building Rentals Maintenance	998	704
Professional Services	3,815	5,530
Travel	2,704	2,662
Equipment Rentals	1,400	1,369
Miscellaneous	<u>5,179</u>	<u>5,495</u>
	92,628	90,636
 CF(L)Co.	 (1,670)	 (1,766)
Allocation to non-regulated customer		<u>(2,747)</u>
 Net Operating Expenses	 <u>90,958</u>	 <u>86,123</u>