

1 Q. In reference to the table provided on page 37 of the Financial Consultant's
2 Report on the 2006 Hydro GRA, provide the percentage increase for each
3 item indicating the year over year increase from 2006 to 2007 (in dollars and
4 percentage terms) after correction of the \$400,000 overstatement in salary
5 expense in 2006 and the \$1,000,000 understatement of loss on disposal in
6 2007 and any other errors of which Hydro is currently aware.

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9 A. The following table provides the requested comparison of 2007 to 2006 with
10 the following changes from the GRA filing:

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12 - reduction in salaries budget in 2006 of \$363,000;
13 - reduction in insurance budget in 2007 of \$168,000;
14 - reduction in equipment rentals budget of \$150,000; and
15 - reduction in loss on disposal of \$ 304,000, rather than the \$1,000,000
16 increase noted in the Financial Consultants Report.

(\$ thousands)				
	2006	2007	Variance	
			\$	%
Other costs				
Salaries and fringe benefits	55,559	59,311	3,752	6.8%
System equip. maint.	18,566	20,799	2,233	12.0%
Insurance	1,850	1,955	105	5.7%
Transportation	2,047	2,029	(18)	-0.9%
Office supplies	2,103	2,109	6	0.3%
Bldg. rentals and maint	911	851	(60)	-6.6%
Professional services	5,592	4,668	(924)	-16.5%
Travel	2,455	2,499	44	1.8%
Equipment rentals	1,240	1,374	134	10.8%
Miscellaneous	4,221	4,765	544	12.9%
Loss on disposal	<u>1,217</u>	<u>1,366</u>	<u>149</u>	<u>12.2%</u>
Total	95,761	101,726	5,965	6.2%
Allocations				
Other	(2,619)	(2,897)	(278)	10.6%
Cost Recoveries	<u>(2,999)</u>	<u>(2,898)</u>	<u>101</u>	<u>-3.4%</u>
Sub-total	(5,618)	(5,795)	(177)	3.2%
Net Other Costs	<u>90,143</u>	<u>95,931</u>	<u>5,788</u>	<u>6.4%</u>