

On a bar graph (similar to the bar graph found on page 49 in the 2003 General Rate Application), please provide the following:

Q. Please provide the capital budget per customer for the years 1993 to the proposed capital budget for 2003 and 2004. Please provide a corresponding table.

A. Graph 1 provides a summary of the capital budget per customer for the years 1983 to the proposed capital budget for 2003. The corresponding data can be found in Table 1.

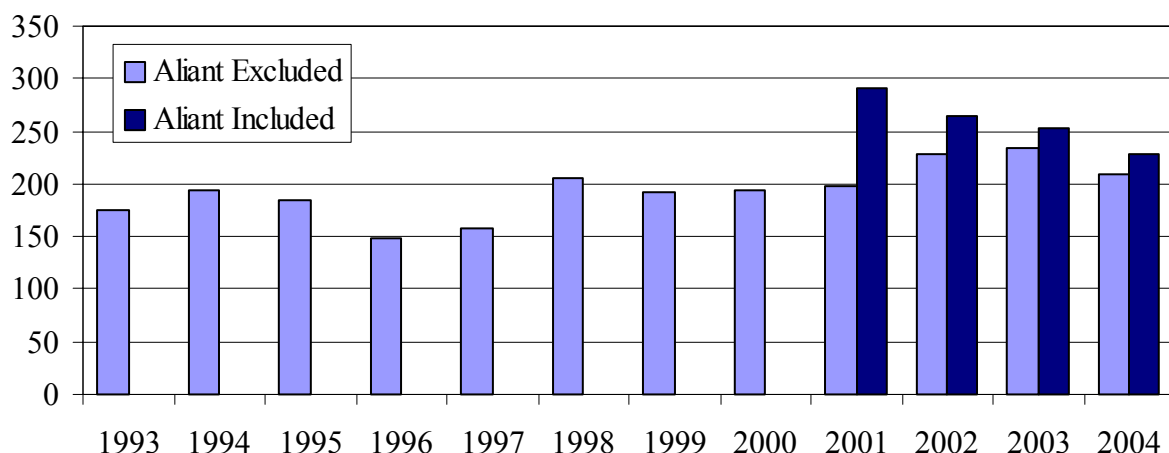
From 2001 through 2003, Newfoundland Power's capital expenditures increased as a result of the purchase of joint use support structures from Aliant Telecom Inc. ("Aliant"). This extraordinary transaction was approved by the Board in Order No. P.U. 17 (2001-2002).

Graph 1 provides the capital expenditures per customer on two bases: (1) including the impact of the extraordinary additional capital expenditures related to the purchase of joint use support structures from Aliant, and (2) excluding the impact of extraordinary additional capital expenditures related to the purchase of joint use support structures from Aliant.

Excluding the impact of the extraordinary additional capital expenditures related to the purchase of joint use support structures from Aliant provides a more comparable year over year presentation of average rate base per customer. All costs, including capital costs, of the Aliant support structures are more than fully recovered from increased third party rentals.

It should be noted that the capital budget figures have not been adjusted for inflation.

Graph 1
Capital Budget per Customer: 1993 to 2004F



To put the numbers in context, the average capital budget per customer was \$240 in 1992 and \$354 in 1990.

Table 1
Capital Budget per Customer: 1993 to 2004F

Year	Capital Budget (\$000s)		Customer Accounts	Capital Budget per Customer \$	
		Excluding Aliant			Excluding Aliant
1993	35,180		201,628	174	
1994	39,724		204,900	194	
1995	38,023		206,674	184	
1996	30,958		208,796	148	
1997	33,204		210,686	158	
1998	43,460		212,110	205	
1999	41,031		213,641	192	
2000	41,771		215,210	194	
2001	63,028	42,808	216,879	291	197
2002 (forecast)	57,839	49,751	218,599	265	228
2003 (forecast)	55,790	51,746	220,293	253	235
2004 (forecast)	50,450	46,406	221,705	228	209