

General

Q. Ref: PUB-53 NP and project B-44 (Reconstruction). Provide the full working calculation used to arrive at the “average historical expenditure”.

A. The “average historical expenditure” is calculated on a dollars per total customer basis for each year. Appropriate escalations are made over the historical five year period to adjust for changes in labour rates and inflation. The average historical expenditure is calculated on a \$/total customer basis as follows:

Historical Labour (per customer¹) = (Historical Actual Labour Cost – Special Projects Labour) / Total Customers

Historical Non-Labour (per customer¹) = (Historical Actual Non-Labour, Cost – Special Projects Non-Labour) / Total Customers

Total Historical Expenditure (per customer¹) = Historical Labour (per total customer) + Historical Non-Labour (per total customer¹)

Average Historical Expenditure (per customer¹)

Sum of Total Historical Expenditures for past 5 years / 5

¹ Based on total customers.