

**Undertaking 144**

**Undertake to provide the 2016 budget.**

Please refer to Undertaking 144 Attachment 1 for the 2016 budget. In calculating the budget Hydro has assumed that all deferral accounts proposed in the 2013 Amended Application have been approved.

Line No.		<u>2015 Test Year</u>	<u>2016 Forecast</u>	<u>2016 Budget</u>
1	<b>REVENUE</b>			
2	ENERGY SALES	660.1	675.7	676.9
3	OTHER REVENUE	2.4	2.5	2.8
		<u>662.5</u>	<u>678.2</u>	<u>679.7</u>
4	<b>EXPENSES</b>			
5	OPERATING EXPENSES			
6	Salaries and benefits	88.9	91.0	86.7
7	System equipment maintenance	26.8	27.8	30.2
8	Office supplies and expenses	2.8	2.9	2.8
9	Professional services	9.5	8.8	10.3
10	Insurance	2.6	2.7	2.7
11	Equipment rentals	3.1	3.1	3.1
12	Travel	3.7	3.7	3.5
13	Miscellaneous expenses	5.7	5.9	6.5
14	Building rental and maintenance	1.2	1.2	1.2
15	Transportation	2.3	2.3	1.9
16	Cost recoveries	(8.4)	(8.6)	(10.7)
17	NET OPERATING EXPENSES	138.2	140.8	138.2
18	OTHER INCOME AND EXPENSE	4.1	4.1	4.1
19	FUELS	269.8	282.9	286.8
20	POWER PURCHASED	63.2	63.1	60.9
21	AMORTIZATION	64.7	67.3	67.2
22	INTEREST	89.3	85.4	91.8
		<u>629.3</u>	<u>643.6</u>	<u>649.0</u>
23	<b>NET INCOME</b>	<u>33.2</u>	<u>34.6</u>	<u>30.7</u>

Note: Certain balances have been reclassified for comparative purposes.