

1 Q. **2013 General Rate Application, Intercompany Transaction Costing Guidelines –**
2 **Exhibit 8**

3 Page 5, lines 6-12 - Provide an itemized list of and the amount of the telephone
4 costs incurred by Hydro's Network Services department each year from 2007 to
5 2012 and the amounts budgeted for each operating cost for 2013 to 2015. Identify
6 any telephone costs that were excluded from the pool of telephone costs allocated
7 to the lines of business.

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10 A. For the purposes of the Admin fee as outlined on Page 5, lines 6 – 12, Hydro used
11 an estimate of costs. Please refer to PUB-NLH-208 Attachment 1.

PUB-NLH-208, Attachment 1
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	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast
Cost Type Description	2007	2008	2009	2010 ¹	2011	2012	2013	2014	2015
A Total operating costs			\$ 223,800	\$ 223,800	\$ 223,800	\$ 236,131	\$ 241,325	\$ 246,483	
Allocations									
B Total number of telephones				750.0	750.0	750.0	680.0	680.0	680.0
C Cost per telephone (A / B)			\$ 298	\$ 298	\$ 298	\$ 347	\$ 355	\$ 362	
D Hydro Regulated telephones				573.2	561.8	502.9	449.1	392.8	392.8
E Other lines of business telephones				176.8	188.2	247.1	230.9	287.2	287.2
Total telephones				750.0	750.0	750.0	680.0	680.0	680.0
F Hydro Regulated (D * C) ²			\$ 171,043	\$ 167,650	\$ 150,065	\$ 155,954	\$ 139,401	\$ 142,380	
G Other lines of business (C * E) ²	\$ 9,120	\$ 20,460	\$ 42,931	\$ 52,757	\$ 56,150	\$ 73,735	\$ 80,177	\$ 101,924	\$ 104,103
Total	\$ 9,120	\$ 20,460	\$ 42,931	\$ 223,800	\$ 223,800	\$ 223,800	\$ 236,131	\$ 241,325	\$ 246,483
Notes									
1. 2010 was the first year of the new Admin fee methodology.									
2. Calculations in F and G begin in 2010.									