1    **B-95 Server Technology Program, $81,800**

2    Q.    Provide a comparison of the budgeted and actual capital expenditures for the

3          years 2003 to 2006F, including the number of machines replaced in each

4          year.  Please include an evaluation of the benefits of this program compared

5          to the previous program of replacement.

6

7

8    A.    Please refer to the following table for expenditures in each year from 2003 to

9          2006F for Server Technology Program.

10

| Year | Budget ($000) | Actual ($000) | # of Machines Replaced |
|------|---------------|---------------|------------------------|
| **2003** | 119 | 117 | 13 |
| **2004** | 639 | 609 [1] | 28 |
| **2005** | 212 | 179 | 12 |
| **2006** | 0 [2] | 0 | 0 |

11

12    [1]  This includes servers ($182) plus migration to new operating system and

13    supporting office productivity tools.

14

15    [2]  Server lifecycle was extended by one year, thus the refresh program was

16    deferred by a year.

17

18    The benefits of the refresh program are that servers are replaced in a planned

19    and consistent manner. This allows for even distribution of budgets and

20    ensures that the servers are available and reliable to support the users

21    applications. Continued review of the server lifecycle allows Hydro to adjust

22    plans based on server performance, technology changes and new business

23    requirements.