Appendix B

Operating, Maintenance and General Expenses

REDACTED

NOVA SCOTIA POWER INC.
REGULATED OPERATING, MAINTENANCE AND GENERAL EXPENSES
FOR THE YEARS 2005 THROUGH 2007

(in Thousands of $)

	2005 Actual	*2006 Compliance*	*2006 Forecast*	*2007 Forecast*	*% of Total OM&G*	*2007 Fct. Vs. 2005 Actual*	*2007 Fct. Vs. 2006 Compliance*	*2007 Fct. Vs. 2006 Forecast*
Executive Management	2,329	1,805	[redacted]	1,602	0.8%	(727)	(203)	[redacted]
Corporate Office of Secretary and General Counsel	5,627	5,554		5,783	2.9%	156	229	
Corporate Finance	3,415	4,028		3,961	2.0%	546	(67)	
Investor & External Relations	1,363	1,209		1,451	0.7%	88	242	
Corporate Human Resources	3,240	4,219		3,722	1.9%	482	(497)	
Facilities and Procurement	6,064	6,228		5,707	2.8%	(357)	(521)	
Information Technology	8,904	8,674		7,747	3.9%	(1,157)	(927)	
Regulatory Affairs	4,564	4,608		5,130	2.6%	566	522	
TOTAL CORPORATE GROUPS	**35,506**	**36,325**		**35,103**	**17.5%**	**(403)**	**(1,222)**	
Generation Development	4,050	4,945	[redacted]	4,999	2.5%	949	54	[redacted]
Head Office	849	1,454		2,175	1.1%	1,326	721	
Thermal Plants	53,972	57,346		57,206	28.5%	3,234	(140)	
Combustion Turbines	924	1,109		1,132	0.6%	208	23	
Hydro	6,662	7,026		7,118	3.5%	456	92	
Energy, Fuels and Risk Management	2,582	3,005		3,060	1.5%	478	55	
Wind Energy	57	46		65	0.0%	8	19	
TOTAL POWER PRODUCTION	**69,096**	**74,931**		**75,755**	**37.7%**	**6,659**	**824**	
Regional Operations	22,294	23,136	[redacted]	23,036	11.5%	742	(100)	[redacted]
Control Center	3,688	3,892		4,438	2.2%	750	546	
T&D Asset	16,137	18,085		15,985	8.0%	(152)	(2,100)	
Administration (incl Storm)	9,171	6,864		8,808	4.4%	(363)	1,944	
TOTAL CUSTOMER OPERATIONS	**51,290**	**51,977**		**52,267**	**26.0%**	**977**	**290**	
CUSTOMER SERVICE	**22,653**	**23,186**	[redacted]	**25,031**	**12.5%**	**2,378**	**1,845**	[redacted]
Pension Expense	16,443	24,596	[redacted]	27,841	13.9%	11,398	3,245	[redacted]
Corporate Adjustments	(10,019)	(13,467)		(15,113)	-7.5%	(5,094)	(1,646)	
TOTAL CORPORATE ADJUSTMENTS	**6,424**	**11,129**		**12,728**	**6.3%**	**6,304**	**1,599**	
TOTAL REGULATED OM&G	**184,969**	**197,548**	[redacted]	**200,884**	**100%**	**15,915**	**3,336**	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Executive Management

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***2,370***	***2,095***	[redacted]	***1,030***	***(1,340)***	***(1,065)***	[redacted]
010 Office Supplies	17	31	[redacted]	8	(10)	(23)	[redacted]
011 Travel Expense	209	176	[redacted]	57	(151)	(118)	[redacted]
012 Materials	3	4	[redacted]	1	(1)	(3)	[redacted]
013 Contracts	21	30	[redacted]	5	(15)	(25)	[redacted]
015 Frt, Post & Delivery	6	13	[redacted]	5	(2)	(9)	[redacted]
021 Telephones	33	39	[redacted]	13	(20)	(27)	[redacted]
025 Leasing	1	1	[redacted]	-	(1)	(1)	[redacted]
028 Consulting	455	412	[redacted]	24	(431)	(389)	[redacted]
029 Membership Dues	522	461	[redacted]	397	(125)	(65)	[redacted]
032 Subscrpt/Info.Software	18	21	[redacted]	5	(13)	(16)	[redacted]
033 Rentals and Maintenance	-	-	[redacted]	-	-	-	[redacted]
034 Appl. Software	0	4	[redacted]	0	0	(4)	[redacted]
035 Comp.Hrdwr & Op.Sftwr	1	10	[redacted]	1	1	(9)	[redacted]
041 Meals & Entertainment	78	79	[redacted]	37	(41)	(42)	[redacted]
045 Pensioner Benefits	-	5	[redacted]	-	-	(5)	[redacted]
051 Gen.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
052 Non Reg. Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
056 Training & Development	11	17	[redacted]	3	(8)	(14)	[redacted]
057 Corp. Support Transfe	(1,817)	(1,614)	[redacted]	-	1,817	1,614	[redacted]
059 Amort.of Def.Op.Costs	314	-	[redacted]	-	(314)	-	[redacted]
066 Other Goods & Service	89	20	[redacted]	16	(73)	(3)	[redacted]
Total Non-Labour	***(41)***	***(290)***	[redacted]	***572***	***613***	***862***	[redacted]
Total	**2,329**	**1,805**	[redacted]	**1,602**	**(727)**	**(203)**	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Corporate Groups Executive	2007 Forecast 1,602	2006 Forecast [redacted]	2006 Compliance 1,805	2005 Actual 2,329
Overview Executive Management is responsible for providing corporate leadership and strategic direction to ensure that the Company provides low cost reliable service to customers and an adequate return to investors.		**2007 Forecast vs. 2006 Forecast** [redacted]	**2007 Forecast vs. 2006 Compliance** (203)	**2007 Forecast vs. 2005 Actual** (727)
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** decrease due to executives realignment to Emera.		[redacted]		
> **Travel, Consulting, Membership dues, and Meals & Entertainment costs** decrease due to removal of expenditures relating to executives realignment to Emera.				
> **Corporate Support Transfers** - the amount recoverable from other affiliates decreased due to the executives realignment to Emera				
> **Other Variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** decrease due to executives realignment to Emera.			(1,065)	
> **Travel, Membership dues, and Meals & Entertainment costs** decrease due to removal of expenditures relating to executives realignment to Emera.			(225)	
> **Consulting costs** decrease due to planned expenditure curtailment and removal of expenditures relating to executives realignment to Emera.			(389)	
> **Corporate Support Transfers** - the amount recoverable from other affiliates decreased mainly due to the executives realignment to Emera.			1,614	
> **Other Variances**			(138)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** decrease mainly due to executives realignment to Emera.				(1,340)
> **Travel, Membership dues, and Meals & Entertainment costs** decrease due to removal of expenditures relating to executives realignment to Emera.				(317)
> **Consulting costs** decrease due to planned expenditure curtailment and removal of expenditures relating to executives realignment to Emera.				(431)
> **Corporate Support Transfers** - the amount recoverable from other affiliates decreased mainly due to the executives realignment to Emera.				1,817
> **Amortization of Deferred Operating Costs** decrease is due to non-recurring severance payments in 2005.				(314)
> **Other Variances**				(142)

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Corporate Office of Secretary and General Counsel

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***982***	***1,053***	[redacted]	***880***	***(102)***	***(173)***	[redacted]
010 Office Supplies	16	20	[redacted]	14	(1)	(6)	[redacted]
011 Travel Expense	55	60	[redacted]	43	(12)	(17)	[redacted]
013 Contracts	3	4	[redacted]	7	4	3	[redacted]
015 Frt, Post & Delivery	10	15	[redacted]	9	(1)	(6)	[redacted]
021 Telephones	10	12	[redacted]	9	(1)	(3)	[redacted]
027 Corporate Filing Fees	99	101	[redacted]	107	8	6	[redacted]
029 Membership Dues	12	21	[redacted]	15	3	(6)	[redacted]
032 Subscrpt/Info.Software	21	23	[redacted]	15	(6)	(8)	[redacted]
033 Rental and Maintenance	-	2	[redacted]	2	2	(1)	[redacted]
034 Appl. Software	0	3	[redacted]	0	(0)	(3)	[redacted]
035 Comp.Hrdwr & Op.Sftwr	0	5	[redacted]	0	0	(5)	[redacted]
036 Directors' Fees & Exp	487	417	[redacted]	412	(75)	(5)	[redacted]
037 Ext. Legal & Audit	546	600	[redacted]	492	(54)	(108)	[redacted]
038 Annual Shareholder Meeting	189	200	[redacted]	207	17	7	[redacted]
041 Meals & Entertainment	31	37	[redacted]	38	7	1	[redacted]
043 Insurance	3,738	3,630	[redacted]	3,861	124	232	[redacted]
052 Non Reg. Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
056 Training & Development	6	20	[redacted]	13	7	(8)	[redacted]
057 Corp. Support Transfer	(599)	(669)	[redacted]	(346)	253	323	[redacted]
059 Amort. Of Def. Costs	4	-	[redacted]		(4)		[redacted]
066 Other Goods & Service	17	-	[redacted]	5	(12)	5	[redacted]
Total Non-Labour	***4,645***	***4,501***	[redacted]	***4,903***	***258***	***402***	[redacted]
Total	***5,627***	***5,554***	[redacted]	***5,783***	***156***	***229***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Corporate Groups Corporate Office of Secretary & General Counsel	2007 Forecast 5,783	2006 Forecast [redacted]	2006 Compliance 5,554	2005 Actual 5,627
Overview The Corporate Office of Secretary and General Counsel provides corporate secretarial, legal and risk management (insurance and claims) services.		**2007 Forecast vs. 2006 Forecast** [redacted]	**2007 Forecast vs. 2006 Compliance** 229	**2007 Forecast vs. 2005 Actual** 156
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** decrease due to realignment of staff to Emera.		[redacted]		
> **Corporate Support Transfers** -the amount recoverable from other affiliates decreased mainly due to realignment of staff to Emera.		[redacted]		
> **Other Variances**		[redacted]		
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** decrease due to realignment of staff to Emera.			(173)	
> **External Legal and audit** decrease due to more work performed in-house.			(108)	
> **Insurance** increase due to general increase in premiums.			232	
> **Corporate Support Transfers** - the amount recoverable from other affiliates decreased due to higher amounts that are directly chargeable to the affiliate and therefore are not allocated through corporate support transfers and due to staff moves to Emera.			323	
> **Other Variances**			(45)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** decrease due to realignment of staff to Emera partially offset by additional position and non-union labour increase.				(102)
> **Director's Fees & Exp** decrease due to less anticipated meetings in year.				(75)
> **External Legal and audit** decrease due to more work performed in-house.				(54)
> **Insurance** increase due to general increase in premiums.				124
> **Corporate Support Transfers** - the amount recoverable from other affiliates has decreased due to higher amounts that are directly chargeable to the affiliate and therefore are not allocated through corporate support transfers and due to staff realignment to Emera.				253
> **Other Variances**				10

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Corporate Finance

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***3,411***	***3,964***	[redacted]	***3,928***	***517***	***(36)***	[redacted]
010 Office Supplies	36	63	[redacted]	53	17	(10)	[redacted]
011 Travel Expense	66	88	[redacted]	106	41	18	[redacted]
012 Materials	0	1	[redacted]	0	0	(1)	[redacted]
013 Contracts	483	526	[redacted]	501	18	(25)	[redacted]
015 Frt, Post & Delivery	1	3	[redacted]	2	0	(1)	[redacted]
021 Telephones	34	34	[redacted]	45	11	11	[redacted]
025 Leasing	8	4	[redacted]	-	(8)	(4)	[redacted]
026 Sponsorships	0	-	[redacted]	-			[redacted]
028 Consulting	232	362	[redacted]	383	151	21	[redacted]
029 Membership Dues	21	31	[redacted]	26	6	(4)	[redacted]
032 Subscrpt/Info.Software	48	177	[redacted]	59	10	(118)	[redacted]
033 Rental and Maintenance	21	26	[redacted]	23	2	(4)	[redacted]
034 Appl. Software	106	13	[redacted]	133	27	120	[redacted]
035 Comp.Hrdwr & Op.Sftwr	-	5	[redacted]	-	-	(5)	[redacted]
037 Ext. Legal & Audit	226	423	[redacted]	212	(14)	(211)	[redacted]
040 Advertising	-	-	[redacted]	-	-	-	[redacted]
041 Meals & Entertainment	25	35	[redacted]	44	19	9	[redacted]
042 Empl. Benefits	13	-	[redacted]				[redacted]
051 Gen.Cost Recovery	(337)	(307)	[redacted]	(195)	142	112	[redacted]
052 Non Reg.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
056 Training & Development	69	116	[redacted]	94	25	(22)	[redacted]
057 Corp. Support Transfer	(1,214)	(1,570)	[redacted]	(1,471)	(257)	99	[redacted]
059 Amort.of Def.Op.Costs	155	-	[redacted]	-	(155)	-	[redacted]
060 Commissions	-	-	[redacted]	-	-	-	[redacted]
066 Other Goods & Service	12	34	[redacted]	19	7	(15)	[redacted]
Total Non-Labour	***4***	***64***	[redacted]	***33***	***29***	***(31)***	[redacted]
Total	***3,415***	***4,028***	[redacted]	***3,961***	***546***	***(67)***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Corporate Groups Corporate Finance	2007 Forecast 3,961	2006 Forecast [redacted]	2006 Compliance 4,028	2005 Actual 3,415
Overview Corporate Finance includes costs for the activities of : Tax Planning and Compliance, Internal Audit and Security, Finance and Accounting, Treasury and Risk Management (Middle/Back Office).		**2007 Forecast vs. 2006 Forecast** [redacted]	**2007 Forecast vs. 2006 Compliance** (67)	**2007 Forecast vs. 2005 Actual** 546
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase attributed to non-union labour increase.		[redacted]		
> **Consulting** decreased due to decreased costs associated with OSC regulations.				
> **Other Variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Subscrpt/Inf. Software** decreased due to reclassification to Appl. Software account.			(118)	
> **Appl. Software** increased due to reclassification from Subscrpt/Inf. Software account.			120	
> **External Legal & Audit** decreased due to decreased costs associated with OSC regulations.			(211)	
> **Gen. Cost Recovery** the amount recoverable has decreased mainly due to decreased charges to the Pension Fund.			112	
> **Corporate Support Transfers** - the amount recoverable from other affiliates has decreased due to fact that the OSC regulation costs are not all budgeted in NSPI and allocated out to Emera but are charged to Emera and a portion is allocated to NSPI.			99	
> **Other Variances**			(69)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increased due to filling of positions that were vacant in 2005, additional staff concerning the new OSC governance regulations and non-union labour increase.				517
> **Consulting costs** increase attributed to necessary work needed to comply with new OSC governance regulations.				151
> **General Cost Recovery -** the amount recoverable from other parties has decreased mainly due to decreased charges to the Pension Fund.				142
> **Corporate Support Transfers -** the amount recoverable from other affiliates has increased mainly due to increased costs overall.				(257)
> **Amortization of Deferred Operating Costs** decrease due to non-recurring severance payments in 2005.				(155)
> **Other Variances**				148

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Investor and External Relations

(in Thousands of $)

	2005 Actual	2006 Compliance Filing	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***740***	***1,009***	[redacted]	***843***	***102***	***(166)***	[redacted]
010 Office Supplies	6	22	[redacted]	20	14	(2)	[redacted]
011 Travel Expense	42	61	[redacted]	55	13	(6)	[redacted]
012 Materials	5	20	[redacted]	25	20	5	[redacted]
013 Contracts	171	13	[redacted]	50	(121)	37	[redacted]
015 Frt, Post & Delivery	8	5	[redacted]	5	(3)	0	[redacted]
016 Tools & Equipment	-	-	[redacted]	-	-	-	[redacted]
021 Telephones	15	13	[redacted]	13	(2)	0	[redacted]
025 Leasing	0	-	[redacted]	-	(0)	-	[redacted]
028 Consulting	423	81	[redacted]	400	(23)	319	[redacted]
029 Membership Dues	5	12	[redacted]	9	4	(3)	[redacted]
032 Subscrpt/Info.Software	3	8	[redacted]	9	6	1	[redacted]
033 Rental and Maintenance	-	-	[redacted]	-	-	-	[redacted]
034 Appl. Software	-	10	[redacted]	12	12	2	[redacted]
035 Comp.Hrdwr & Op.Sftwr	0	11	[redacted]	14	14	4	[redacted]
036 Directors' fees	1	-	[redacted]	-	(1)	-	[redacted]
040 Advertising	67	2	[redacted]	75	8	73	[redacted]
041 Meals & Entertainment	42	43	[redacted]	62	20	19	[redacted]
052 Non Reg.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
056 Training & Development	3	31	[redacted]	27	24	(4)	[redacted]
057 Corp. Support Transfer	(394)	(375)	[redacted]	(488)	(94)	(113)	[redacted]
058 Personal Equipment	(0)	-	[redacted]	-	0	-	[redacted]
059 Amort.of Def.Op.Costs	-	4	[redacted]	-	-	(4)	[redacted]
066 Other Goods & Service	225	240	[redacted]	320	95	80	[redacted]
Total Non-Labour	***623***	***200***	[redacted]	***608***	***(14)***	***408***	[redacted]
Total	***1,363***	***1,209***	[redacted]	***1,451***	***88***	***242***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Corporate Groups Investor and External Relations	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	1,451	[redacted]	1,209	1,363
Overview		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
Investor & External Relations provides all public affairs, investor and government relations for the company.		[redacted]	242	88
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Other Variances**		[redacted]		
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** decrease due to reduction in staff.			(166)	
> **Consulting costs** increase due to additional communication consulting.			319	
> **Advertising** increased due to increased storm-preparedness advertising.			73	
> **Corporate Support Transfers** - the amount recoverable from other affiliates has increased due to higher overall costs and lower amounts that are directly chargeable to the affiliates.			(113)	
> **Other Goods and Service** has increased due to unaccrued consulting expense in 2006.			80	
> **Other Variances**			49	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase attributed to non-union labour increase and one additional staff.				102
> **Contracts** decreased due to in-house staff performing work versus contracted employee in 2005.				(121)
> **Corporate Support Transfers** - the amount recoverable from other affiliates has increased due to higher overall costs and lower amounts that are directly chargeable to the affiliates.				(94)
> **Other Goods and Service** has increased due to unaccrued consulting expense in 2006.				95
> **Other Variances**				106

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Human Resources

(in Thousands of $)

	2005 Actual	*2006 Compliance*	*2006 Forecast*	*2007 Forecast*	*2007 Fct. Vs. 2005 Actual*	*2007 Fct. Vs. 2006 Compliance*	*2007 Fct. Vs. 2006 Fct.*
Total Labour	***2,365***	***2,626***	[redacted]	***2,255***	***(110)***	***(371)***	[redacted]
010 Office Supplies	25	20	[redacted]	20	(5)	0	[redacted]
011 Travel Expense	204	364	[redacted]	280	76	(84)	[redacted]
012 Materials	149	164	[redacted]	169	20	5	[redacted]
013 Contracts	474	617	[redacted]	638	164	21	[redacted]
015 Frt, Post & Delivery	0	0	[redacted]	-	(0)	(0)	[redacted]
016 Tools & Equipment	-	-	[redacted]	-	-	-	[redacted]
021 Telephones	34	34	[redacted]	33	(1)	(2)	[redacted]
028 Consulting	272	265	[redacted]	269	(3)	4	[redacted]
029 Membership Dues	8	19	[redacted]	17	10	(2)	[redacted]
032 Subscrpt/Info.Software	3	2	[redacted]	2	(1)	-	[redacted]
033 Rental and Maintenance	121	125	[redacted]	10	(111)	(115)	[redacted]
034 Appl. Software	0	2	[redacted]	2	2	-	[redacted]
035 Comp.Hrdwr & Op.Sftwr	0	2	[redacted]	-	(0)	(2)	[redacted]
037 External Legal & Audit	-	-	[redacted]	-	-	-	[redacted]
040 Advertising	-	-	[redacted]	-	-	-	[redacted]
041 Meals & Entertainment	62	90	[redacted]	97	34	6	[redacted]
042 Employee Benefits	158	167	[redacted]	185	27	18	[redacted]
050 Rent	-	-	[redacted]	-	-	-	[redacted]
051 Gen.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
056 Training & Development	86	367	[redacted]	149	63	(218)	[redacted]
057 Corp. Support Transfer	(488)	(403)	[redacted]	(233)	255	170	[redacted]
059 Amort.of Def.Op.Costs	10	-	[redacted]	-	(10)	-	[redacted]
066 Other Goods & Service	(245)	(243)	[redacted]	(171)	74	72	[redacted]
Total Non-Labour	***875***	***1,593***	[redacted]	***1,467***	***592***	***(126)***	[redacted]
Total	***3,240***	***4,219***	[redacted]	***3,722***	***482***	***(497)***	[redacted]

Responsibility Area Corporate Groups Human Resources	2007 Forecast 3,722	2006 Forecast [redacted]	2006 Compliance 4,219	2005 Actual 3,240
Overview Human Resources team supports all NSPI employees in the areas of employee and industrial relations, training, apprenticeship, performance management, safety, pension, benefits and wellness administration, recruitment and payroll.		**2007 Forecast vs. 2006 Forecast** [redacted]	**2007 Forecast vs. 2006 Compliance** (497)	**2007 Forecast vs. 2005 Actual** 482
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase due to non-union labour increase.		[redacted]		
> **Other Variances**		[redacted]		
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** decrease due to transfer to other Corporate Group and reduction in staff partially offset by non-union wage increase.			(371)	
> **Travel** decrease due to a reduction in anticipated travel and use of more teleconferencing.			(84)	
> **Rental & maintenance costs** decrease due to PeopleSoft contract moved to IT department			(115)	
> **Training & Development** decrease due to general reduction in anticipated training requirements			(218)	
> **Corporate Support Transfers** - the amount recoverable from other affiliates has decreased due to lower overall costs.			170	
> **Other Goods and Services** increased due to reduced recoveries from charges to the Pension Plan.			72	
> **Other Variances**			49	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** decrease due to transfer / reduction in staff.				(110)
> **Travel** increase due to curbed spending in 2005.				76
> **Contracts** increase due to succession & workforce training, EAP program and increased Nova Scotia Community College training for Power Line Technicians.				164
> **Rental & maintenance costs** decrease due to PeopleSoft contract moved to IT department				(111)
> **Corporate Support Transfers** - the amount recoverable from other affiliates has decreased due to a decrease in the amount of HR expenses that are included in the corporate allocation calculation.				255
> **Other Goods and Services** increased due to reduced recoveries from charges to the Pension Plan.				74
> **Other Variances**				134

Facilities and Procurement

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***805***	***1,022***	[redacted]	***909***	***104***	***(113)***	[redacted]
010 Office Supplies	746	740	[redacted]	731	(15)	(10)	[redacted]
011 Travel Expense	39	43	[redacted]	36	(2)	(7)	[redacted]
012 Materials	83	96	[redacted]	80	(3)	(16)	[redacted]
013 Contracts	1,233	1,076	[redacted]	1,171	(62)	95	[redacted]
014 Overtime Meals	-	-	[redacted]	-	-	-	[redacted]
015 Frt, Post & Delivery	381	453	[redacted]	380	(0)	(73)	[redacted]
019 Water	26	28	[redacted]	29	2	1	[redacted]
021 Telephones	25	26	[redacted]	23	(2)	(3)	[redacted]
028 Consulting	0	20	[redacted]	-	(0)	(20)	[redacted]
029 Membership Dues	2	7	[redacted]	3	1	(4)	[redacted]
032 Subscrpt/Info.Software	1	4	[redacted]	2	1	(2)	[redacted]
033 Rental and Maintenance	-	-	[redacted]	-	-	-	[redacted]
034 Appl. Software	0	3	[redacted]	-	(0)	(3)	[redacted]
035 Comp.Hrdwr & Op.Sftwr	-	-	[redacted]	-	-	-	[redacted]
041 Meals & Entertainment	12	25	[redacted]	11	(1)	(14)	[redacted]
044 Energy Use (Non-Elect	57	65	[redacted]	84	27	19	[redacted]
046 Energy Use	295	319	[redacted]	326	31	6	[redacted]
050 Rent	3,851	3,843	[redacted]	3,850	(1)	7	[redacted]
051 Gen.Cost Recovery	(1,914)	(1,893)	[redacted]	(2,347)	(433)	(454)	[redacted]
052 Non Reg.Cost Recovery	(542)	(579)	[redacted]	(471)	71	107	[redacted]
056 Training & Development	11	19	[redacted]	14	3	(5)	[redacted]
058 Personal Equipment	-	-	[redacted]	-	-	-	[redacted]
059 Amort.of Def.Op.Costs	35	34	[redacted]	-	(35)	(34)	[redacted]
061 Write Offs	-	-	[redacted]	-	-	-	[redacted]
066 Other Goods & Service	29	31	[redacted]	8	(21)	(23)	[redacted]
085 Depreciation Expense	-	-	[redacted]	-	-	-	[redacted]
091 Tax Assessment	889	880	[redacted]	868	(21)	(12)	[redacted]
190 Misc. Revenue	-	(35)	[redacted]	-	-	35	[redacted]
Total Non-Labour	***5,259***	***5,206***	[redacted]	***4,798***	***(461)***	***(408)***	[redacted]
Total	***6,064***	***6,228***	[redacted]	***5,707***	***(357)***	***(521)***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Corporate Groups Facilities & Procurement	2007 Forecast 5,707	2006 Forecast [redacted]	2006 Compliance 6,228	2005 Actual 6,064
Overview Facilities and Procurement includes the resources that provide related services to all NSPI operating groups and affiliates. The Procurement group is involved in the sourcing of approximately $103M of expenditures annually for NSPI. The Facilities group is responsible for management of all land & facilities not directly associated with the production or delivery of energy.		**2007 Forecast vs. 2006 Forecast** [redacted]	**2007 Forecast vs. 2006 Compliance** (521)	**2007 Forecast vs. 2005 Actual** (357)
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase due to non-union labour increase.		[redacted]		
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** decrease due to reduction in staff due to retirement, maternity leave and efficiencies gained.			(113)	
> **Contracts** increase due to re-establishing maintenance expenditure levels.			95	
> **Frt, Postage & Delivery** decrease due to reduced document management costs.			(73)	
> **General Cost Recovery** amount recoverable increased due to planned optimization of land and space currently not in use by NSPI.			(454)	
> **Non Reg. Cost Recovery** amount recoverable decreased due to one-time project completed in 2006 and generally less affiliate work.			107	
> **Other Variances**			(83)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase due to non-union labour increase.				104
> **Contracts** decrease due to deferral of some 2005 maintenance costs.				(62)
> **General Cost Recovery** amount recoverable increased due to planned optimization of land and space currently not in use by NSPI.				(433)
> **Other Variances**				34

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Information Technology

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***2,685***	***3,050***	[redacted]	***2,570***	***(115)***	***(480)***	[redacted]
010 Office Supplies	5	5	[redacted]	3	(2)	(2)	[redacted]
011 Travel Expense	28	36	[redacted]	26	(2)	(10)	[redacted]
012 Materials	0	1	[redacted]	0	0	(0)	[redacted]
013 Contracts	2,662	2,576	[redacted]	2,629	(32)	53	[redacted]
015 Frt, Post & Delivery	3	1	[redacted]	-	(3)	(1)	[redacted]
021 Telephones	4	(70)	[redacted]	3	(1)	73	[redacted]
023 Data Communication Ci	1,386	1,382	[redacted]	1,388	2	6	[redacted]
025 Leasing	18	11	[redacted]	1	(17)	(9)	[redacted]
026 Sponsor & Other Donat	-	0	[redacted]	0	0	0	[redacted]
028 Consulting	168	77	[redacted]	38	(130)	(39)	[redacted]
029 Membership Dues	3	8	[redacted]	4	1	(3)	[redacted]
032 Subscrpt/Info.Software	0	0	[redacted]	1	0	0	[redacted]
033 Rental and Maintenance	2,075	2,034	[redacted]	1,540	(535)	(494)	[redacted]
034 Appl. Software	2	5	[redacted]	2	0	(3)	[redacted]
035 Comp.Hrdwr & Op.Sftwr	2	8	[redacted]	-	(2)	(8)	[redacted]
041 Meals & Entertainment	16	18	[redacted]	17	0	(1)	[redacted]
042 Employee Benefits	57	-	[redacted]	-	(57)	-	[redacted]
051 Gen.Cost Recovery	0	(32)	[redacted]	(28)	(28)	4	[redacted]
052 Non Reg.Cost Recovery	(573)	(507)	[redacted]	(494)	79	13	[redacted]
056 Training & Development	16	51	[redacted]	35	19	(16)	[redacted]
059 Amort.of Def.Op.Costs	339	3	[redacted]	3	(336)	0	[redacted]
066 Other Goods & Service	6	18	[redacted]	8	1	(11)	[redacted]
Total Non-Labour	***6,219***	***5,624***	[redacted]	***5,177***	***(1,042)***	***(447)***	[redacted]
Total	***8,904***	***8,674***	[redacted]	***7,747***	***(1,157)***	***(927)***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Corporate Groups Information Technology	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	7,747	[redacted]	8,674	8,904
Overview		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
Information Technology department provides equipment and related support and services to all NSPI operating groups.		[redacted]	(927)	(1,157)
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase due to non-union labour increase.		[redacted]		
> **Other Variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** decrease due to reduction in staff.			(480)	
> **Contracts** increase due to CPI adjustment and changes in unit counts concerning CGI contract.			53	
> **Telephone** increase due to timing of billings (internal phone costs).			73	
> **Rental and Maintenance** decrease due to transfer of Interactive Voice Response system costs to Customer Service partially offset by transfer of Peoplesoft contract from HR.			(494)	
> **Other Variances**			(79)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** decrease due to reduction in staff and non-union wage increase.				(115)
> **Consulting** decrease due to curtailment of spending.				(130)
> **Rental and Maintenance** decrease due to transfer of Interactive Voice Response system costs to Customer Service partially offset by transfer of Peoplesoft contract from HR.				(535)
> **Employee Benefits** decreased due to non-recurring severance costs.				(57)
> **Amortization of Deferred Operating Costs** decrease due to non-recurring severance payments in 2005.				(336)
> **Other Variances**				16

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Regulatory Affairs

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***807***	***648***	[redacted]	***1,149***	***342***	***501***	[redacted]
010 Office Supplies	20	12	[redacted]	7	(13)	(5)	[redacted]
011 Travel Expense	38	19	[redacted]	17	(21)	(2)	[redacted]
012 Materials	2	4	[redacted]	7	5	3	[redacted]
013 Contracts	-	-	[redacted]	-	-	-	[redacted]
014 Overtime Meals	0	0	[redacted]	-	(0)	(0)	[redacted]
015 Frt, Post & Delivery	11	3	[redacted]	5	(6)	2	[redacted]
021 Telephones	10	8	[redacted]	9	(1)	1	[redacted]
028 Consulting	1,997	1,974	[redacted]	2,315	318	341	[redacted]
029 Membership Dues	5	3	[redacted]	5	(0)	2	[redacted]
032 Subscrpt/Info.Software	5	4	[redacted]	2	(3)	(2)	[redacted]
033 Rental and Maintenance	-	-	[redacted]	-	-	-	[redacted]
034 Appl. Software	10	1	[redacted]	-	(10)	(1)	[redacted]
035 Comp.Hrdwr & Op.Sftwr	1	6	[redacted]	-	(1)	(6)	[redacted]
037 Ext. Legal & Audit	1,238	1,716	[redacted]	1,300	62	(416)	[redacted]
040 Advertising	91	85	[redacted]	100	9	15	[redacted]
041 Meals & Entertainment	32	8	[redacted]	14	(19)	6	[redacted]
056 Training & Development	49	3	[redacted]	50	1	47	[redacted]
059 Amort.of Def.Op.Costs	9	16	[redacted]	-	(9)	(16)	[redacted]
066 Other Goods & Service	239	98	[redacted]	150	(89)	52	[redacted]
190 Misc Revenue			[redacted]				[redacted]
Total Non-Labour	***3,757***	***3,960***	[redacted]	***3,981***	***224***	***21***	[redacted]
Total	***4,564***	***4,608***	[redacted]	***5,130***	***566***	***522***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Corporate Groups Regulatory Affairs	2007 Forecast 5,130	2006 Forecast [redacted]	2006 Compliance 4,608	2005 Actual 4,564
Overview Regulatory Affairs includes the resources responsible for regulatory compliance and management.		**2007 Forecast vs. 2006 Forecast** [redacted]	**2007 Forecast vs. 2006 Compliance** 522	**2007 Forecast vs. 2005 Actual** 566
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **External Legal & Audit** decrease due to more in-house work with new staffing.		[redacted]		
> **Other Variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** increase due to increase in number of staff and non-union labour increase.			501	
> **Consulting costs** increase due to increased regulatory activity.			341	
> **External Legal & Audit** decrease due to more in-house work with new staffing.			(416)	
> **Other Goods & Services** increase due to filing costs around regulatory initiatives.			52	
> **Other Variances**			44	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase due to increase in number of staff throughout 2005 and non-union labour increase.				342
> **Consulting costs** increase due to increased regulatory activity.				318
> **External Legal & Audit** increase due to increased UARB assessment.				62
> **Other Goods & Services** reduction due to general decrease in anticipated expenditures				(89)
> **Other Variances**				(67)

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Generation Development

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***3,208***	***3,723***	[redacted]	***3,665***	***457***	***(58)***	[redacted]
010 Office Supplies	20	21		24	5	4	
011 Travel Expense	207	267		309	102	43	
012 Materials	119	127		124	5	(3)	
013 Contracts	93	238		217	124	(21)	
014 Overtime Meals	1	1		-	(1)	(1)	
015 Frt, Post & Delivery	5	17		19	15	3	
016 Tools & Equipment	6	12		14	8	2	
021 Telephones	67	73		75	8	3	
025 Leasing	3	3		1	(1)	(2)	
028 Consulting	50	112		137	86	25	
029 Membership Dues	222	187		180	(42)	(7)	
031 Fleet Fuel	28	22		27	(2)	5	
032 Subscrpt/Info.Software	3	13		13	9	(0)	
033 Rental/Mtnce equipment/software	57	92		92	36	-	
034 Appl. Software	4	14		15	11	1	
035 Comp.Hrdwr & Op.Sftwr	1	9		10	9	2	
037 Ext. Legal & Audit	-	-		-	-	-	
040 Advertising	-	-		-	-	-	
041 Meals & Entertainment	52	62		83	31	21	
042 Employee Benefits	-	-		-	-	-	
050 Rent	18	25		20	2	(4)	
051 Gen.Cost Recovery	-	-		-	-	-	
052 Non Reg.Cost Recovery	-	-		-	-	-	
054 Internal Serv. Received	-	1		-	-	(1)	
056 Training & Development	22	49		95	73	46	
057 Corp. Support Transfer	(155)	(164)		(164)	(9)	(0)	
058 Personal Equipment	3	8		11	9	3	
059 Amort.of Def.Op.Costs	13	-		-	(13)	-	
061 Write-offs	-	-		-	-	-	
065 By-product Sales	-	-		-	-	-	
066 Other Goods & Services	4	35		17	13	(19)	
085 Depreciation Expense	-	-		14	14	14	
Total Non-Labour	***842***	***1,222***	[redacted]	***1,334***	***492***	***112***	[redacted]
Total	***4,050***	***4,945***	[redacted]	***4,999***	***949***	***54***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Power Production Generation Development	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	4,999	[redacted]	4,945	4,050
Overview Generation Development costs include Generation Development Executive, Generation Services, Ambient Air, Generation Planning, Environment, Renewable Energy and Generation Planning & Infrastructure administration office.		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
		[redacted]	54	949
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Other variances**		[redacted]		
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** decrease due to disallowed succession planning partially offset by union and non-union labour increases.			(58)	
> **Other variances**			112	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase due to union and non-union labour increase and increase in labour force.				457
> **Travel and Training & Development** increases are mainly due to generation development attendance at conferences on new generation technologies and Federal Government initiatives including Kyoto.				175
> **Contracts and Consulting** increases are due to environmental studies deferred from 2005 to 2006 which are ongoing in nature.				211
> **Other variances**				106

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Head Office

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***413***	***406***	[redacted]	***445***	***32***	***39***	[redacted]
010 Office Supplies	(0)	15	[redacted]	9	9	(6)	[redacted]
011 Travel Expense	8	66	[redacted]	60	52	(6)	[redacted]
012 Materials	17	-	[redacted]	-	(17)	-	[redacted]
013 Contracts	24	19	[redacted]	19	(6)	-	[redacted]
014 Overtime Meals	-	-	[redacted]	-	-	-	[redacted]
015 Frt, Post & Delivery	0	-	[redacted]	-	(0)	-	[redacted]
016 Tools & Equipment	-	-	[redacted]	-	-	-	[redacted]
021 Telephones	7	9	[redacted]	8	1	(1)	[redacted]
025 Leasing	-	-	[redacted]	-	-	-	[redacted]
028 Consulting	-	120	[redacted]	125	125	5	[redacted]
029 Membership Dues	1	80	[redacted]	1	(1)	(80)	[redacted]
031 Fleet Fuel	-	-	[redacted]	-	-	-	[redacted]
032 Subscrpt/Info.Software	2	20	[redacted]	20	18	-	[redacted]
033 Rental/Mtnce equipment/software	-	-	[redacted]	-	-	-	[redacted]
034 Appl. Software	-	2	[redacted]	4	4	2	[redacted]
035 Comp.Hrdwr & Op.Sftwr	0	5	[redacted]	5	5	-	[redacted]
037 Ext. Legal & Audit	198	300	[redacted]	255	57	(45)	[redacted]
040 Advertising	-	-	[redacted]	-	-	-	[redacted]
041 Meals & Entertainment	5	40	[redacted]	38	33	(2)	[redacted]
042 Employee Benefits	147	162	[redacted]	150	3	(12)	[redacted]
050 Rent	-	-	[redacted]	-	-	-	[redacted]
051 Gen.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
052 Non Reg.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
054 Internal Serv. Received	-	-	[redacted]	-	-	-	[redacted]
056 Training & Development	0	26	[redacted]	20	20	(6)	[redacted]
058 Personal Equipment	-	-	[redacted]	-	-	-	[redacted]
059 Amort.of Def.Op.Costs	11	5	[redacted]	5	(5)	-	[redacted]
061 Write-offs	-	-	[redacted]	-	-	-	[redacted]
065 By-product Sales	-	-	[redacted]	-	-	-	[redacted]
066 Other Goods & Services	16	179	[redacted]	1,012	996	833	[redacted]
085 Depreciation Expense	-	-	[redacted]	-	-	-	[redacted]
Total Non-Labour	***436***	***1,048***	[redacted]	***1,730***	***1,294***	***682***	[redacted]
Total	***849***	***1,454***	[redacted]	***2,175***	***1,326***	***721***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Power Production Head Office	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	2,175	[redacted]	1,454	849
Overview		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
Head Office costs include Power Production Executive, Plant Operations and Management Information		[redacted]	721	1,326
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Other Goods and Services** increase mainly due to Succession planning & apprenticeship program transferred from Thermal to Head Office cost center.		[redacted]		
> **Other variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Membership Dues** decrease due to reduced memberships in Fuel Groups as well as less CEA memberships.			(80)	
> **Other Goods and Services** increase mainly due to Succession planning & apprenticeship program transferred from Thermal to Head Office cost center.			833	
> **Other variances**			(32)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Travel** increases are due to contract negotiation work previously reflected in a different area and other anticipated negotiations.				52
> **Consulting** increases are due to contract negotiation work previously reflected in a different area and other anticipated negotiations.				125
> **Ext. Legal & Audit** increases are due to contract negotiation work previously reflected in a different area and other anticipated negotiations.				57
> **Other Goods and Services** increase due to Succession planning & apprenticeship program transferred from Thermal to Head Office cost center and allowance for uninsured events.				996
> **Other variances**				96

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Thermal Plants

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	*32,744*	*34,566*	[redacted]	*35,762*	*3,018*	*1,196*	[redacted]
010 Office Supplies	69	90	[redacted]	90	21	(0)	[redacted]
011 Travel Expense	136	150	[redacted]	160	24	10	[redacted]
012 Materials	7,580	8,195	[redacted]	7,053	(528)	(1,142)	[redacted]
013 Contracts	10,414	10,433	[redacted]	10,515	101	82	[redacted]
014 Overtime Meals	101	104	[redacted]	94	(7)	(10)	[redacted]
015 Frt, Post & Delivery	114	73	[redacted]	79	(35)	6	[redacted]
016 Tools & Equipment	230	210	[redacted]	210	(20)	(0)	[redacted]
017 Chemicals	496	573	[redacted]	581	85	8	[redacted]
018 Gases	172	191	[redacted]	193	22	2	[redacted]
019 Water	716	950	[redacted]	806	89	(144)	[redacted]
020 Royalties, Easements, Appraisals	(6)	(30)	[redacted]	-	6	30	[redacted]
021 Telephones	144	154	[redacted]	157	12	2	[redacted]
025 Leasing	-	-	[redacted]	-	-	-	[redacted]
028 Consulting	45	30	[redacted]	51	6	21	[redacted]
029 Membership Dues	15	6	[redacted]	7	(8)	2	[redacted]
030 Lubricants	197	152	[redacted]	162	(35)	10	[redacted]
031 Fleet Fuel	281	241	[redacted]	267	(14)	26	[redacted]
033 Rental/Mtnce equipment/software	72	55	[redacted]	55	(18)	-	[redacted]
034 Appl. Software	4	13	[redacted]	45	40	32	[redacted]
035 Comp.Hrdwr & Op.Sftwr	14	21	[redacted]	20	6	(1)	[redacted]
041 Meals & Entertainment	100	63	[redacted]	90	(10)	27	[redacted]
045 Pensioner Benefits	-	-	[redacted]	-	-	-	[redacted]
050 Rent	50	51	[redacted]	39	(11)	(12)	[redacted]
051 Gen.Cost Recovery	(25)	-	[redacted]	3	28	3	[redacted]
052 Non Reg.Cost Recovery	(25)	-	[redacted]	-	25	-	[redacted]
054 Internal Serv. Received	-	-	[redacted]	-	-	-	[redacted]
055 Warranty & Service Contracts	9	5	[redacted]	5	(4)	-	[redacted]
056 Training & Development	41	310	[redacted]	189	147	(122)	[redacted]
058 Personal Equipment	244	261	[redacted]	264	21	3	[redacted]
059 Amort.of Def.Op.Costs	128	25	[redacted]	11	(117)	(13)	[redacted]
061 Write-offs	115	28	[redacted]	28	(87)	-	[redacted]
065 By-product Sales	(454)	-	[redacted]	(72)	382	(72)	[redacted]
066 Other Goods & Services	(57)	-	[redacted]	-	57	-	[redacted]
083 Short-term interest	586	639	[redacted]	595	8	(44)	[redacted]
085 Depreciation Expense	-	-	[redacted]	-	-	-	[redacted]
189 Steam Sales	(211)	(210)	[redacted]	(251)	(39)	(41)	[redacted]
190 Misc revenue/recoveries (OM&G)	(68)	(2)	[redacted]	-	68	2	[redacted]
Total Non-Labour	*21,228*	*22,780*	[redacted]	*21,444*	*216*	*(1,336)*	[redacted]
Total	*53,972*	*57,346*	[redacted]	*57,206*	*3,234*	*(140)*	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Power Production Thermal Plants	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	57,206	[redacted]	57,346	53,972
Overview		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
Thermal Plants includes all costs related with the engineering, maintenance and operation of thermal generation stations including: Lingan, Point Aconi, Point Tupper, Tufts Cove and Trenton.		[redacted]	(140)	3,234
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase due to union and non-union labour increases.		[redacted]		
> **Materials** and **Contracts** decrease due to changes in scheduled maintenance.				
> **Other Variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** increase due to union and non-union labour increases, increase in term labour for turbine outage, partially offset by apprenticeship and succession planning transferred to Head Office cost center.			1,196	
> **Materials** and **Contracts** decrease due to turbine outage at Lingan submitted as contract costs but input in forecast as term labour.			(1,060)	
> **Water** cost decrease due to lower CBRM water utility rate then requested in their regulatory filing.			(144)	
> **Training and Development** decrease due to transfer of costs to Succession Planning and Apprentice programs.			(122)	
> **Other Variances**			(10)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increases due to union and non-union labour increases, higher labour complement at Lingan, offset by labour initiatives including attrition, oil rack automation savings, overtime reduction and others.				3,017
> **Materials** and **Contracts** decrease due to changes in scheduled maintenance.				(427)
> **Training and Development** increase due to higher emphasis on training throughout the thermal plants.				147
> **Amortization of Deferred Operating Costs** decrease is due to non-recurring severance payments in 2005.				(117)
> **By-product Sales** lower due to the increased use of petroleum coke in the coal units				382
> **Other variances**				232

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Combustion Turbines

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***508***	***615***	[redacted]	***643***	***135***	***28***	[redacted]
010 Office Supplies	5	4	[redacted]	6	1	2	[redacted]
011 Travel Expense	19	26	[redacted]	27	8	1	[redacted]
012 Materials	107	141	[redacted]	125	19	(16)	[redacted]
013 Contracts	188	209	[redacted]	217	29	8	[redacted]
014 Overtime Meals	1	3	[redacted]	3	2	-	[redacted]
015 Frt, Post & Delivery	11	9	[redacted]	9	(2)	-	[redacted]
016 Tools & Equipment	8	12	[redacted]	12	4	-	[redacted]
018 Gases	1	2	[redacted]	2	2	-	[redacted]
019 Water	40	-	[redacted]	-	(40)	-	[redacted]
021 Telephones	8	12	[redacted]	12	4	-	[redacted]
030 Lubricants	3	7	[redacted]	7	4	-	[redacted]
033 Rental/Mtnce equipment/software	2	6	[redacted]	6	4	-	[redacted]
034 Appl. Software	-	4	[redacted]	4	4	-	[redacted]
035 Comp.Hrdwr & Op.Sftwr	0	10	[redacted]	10	10	-	[redacted]
041 Meals & Entertainment	5	6	[redacted]	6	2	-	[redacted]
056 Training & Development	1	4	[redacted]	4	3	-	[redacted]
058 Personal Equipment	1	7	[redacted]	7	6	-	[redacted]
061 Write-offs	-	10	[redacted]	10	10	-	[redacted]
083 Short-term interest	16	20	[redacted]	20	4	-	[redacted]
Total Non Labour	***416***	***494***	[redacted]	***489***	***73***	***(5)***	[redacted]
Total	***924***	***1,109***	[redacted]	***1,132***	***208***	***23***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Power Production Combustion Turbines	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	1,132	[redacted]	1,109	924
Overview		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
Combustion Turbines includes all costs related with the engineering, maintenance and operation of the combustion turbines.		[redacted]	23	208
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase due to union and non-union labour increases.		[redacted]		
> **Contracts** decrease due to additional work required at V.J. and Burnside C.T. units in 2006, not re-occuring in 2007.				
> **Other variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Other variances**			23	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase due to union and non-union labour increases.				135
> **Other variances**				73

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Hydro

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***4,711***	***5,064***	[redacted]	***5,017***	***306***	***(47)***	[redacted]
010 Office Supplies	17	19	[redacted]	17	1	(1)	[redacted]
011 Travel Expense	59	85	[redacted]	83	24	(3)	[redacted]
012 Materials	428	433	[redacted]	452	23	19	[redacted]
013 Contracts	659	608	[redacted]	685	25	76	[redacted]
014 Overtime Meals	7	9	[redacted]	8	0	(1)	[redacted]
015 Frt, Post & Delivery	6	4	[redacted]	6	1	3	[redacted]
016 Tools & Equipment	21	35	[redacted]	30	9	(5)	[redacted]
020 Royalties, Easements, Appraisals	-	-	[redacted]	-	-	-	[redacted]
021 Telephones	78	76	[redacted]	79	1	3	[redacted]
028 Consulting	475	455	[redacted]	538	63	82	[redacted]
029 Membership Dues	4	5	[redacted]	6	1	0	[redacted]
030 Lubricants	9	7	[redacted]	6	(3)	(1)	[redacted]
031 Fleet Fuel	169	150	[redacted]	161	(8)	10	[redacted]
032 Subscrpt/Info.Software	0	0	[redacted]	0	(0)	-	[redacted]
033 Rental/Mtnce equipment/software	36	32	[redacted]	35	(1)	3	[redacted]
034 Appl. Software	-	-	[redacted]	7	7	7	[redacted]
035 Comp.Hrdwr & Op.Sftwr	4	4	[redacted]	14	10	10	[redacted]
040 Advertising	-	-	[redacted]	-	-	-	[redacted]
041 Meals & Entertainment	47	34	[redacted]	37	(10)	3	[redacted]
044 Energy Use (Non-Electric)	-	0	[redacted]	0	0	-	[redacted]
050 Rent	-	-	[redacted]	-	-	-	[redacted]
051 Gen.Cost Recovery	(3)	-	[redacted]	-	3	-	[redacted]
056 Training & Development	12	29	[redacted]	29	16	(0)	[redacted]
058 Personal Equipment	38	49	[redacted]	47	10	(2)	[redacted]
059 Amort.of Def.Op.Costs	3	-	[redacted]	-	(3)	-	[redacted]
061 Write-offs	13	69	[redacted]	-	(13)	(69)	[redacted]
066 Other Goods & Services	56	25	[redacted]	30	(25)	5	[redacted]
083 Short-term interest	1	0	[redacted]	1	0	1	[redacted]
190 Misc revenue/recoveries (OM&G)	(190)	(170)	[redacted]	(170)	20	-	[redacted]
Total Non-Labour	***1,951***	***1,962***	[redacted]	***2,101***	***150***	***139***	[redacted]
Total	***6,662***	***7,026***	[redacted]	***7,118***	***456***	***92***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Power Production Hydro	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	7,118	[redacted]	7,026	6,662
Overview		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
Hydro includes all costs related with the engingeering, maintenance and operation of hydro generation stations.		[redacted]	92	456
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase due to union and non-union labour increases.		[redacted]		
> **Materials** decrease due to scope of overhauls of smaller hydro units larger that expected in 2006 and will not re-occur in 2007.		[redacted]		
> **Other variances**		[redacted]		
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Contracts** increase due to additional scope of overhauls of smaller hydro units larger that expected.			76	
> **Consulting** increase due to additional dam safety requirements offset by decrease in general consulting activities			82	
> **Write-offs** decrease due to one time write-off expected in 2006.			(69)	
> **Other variances**			3	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase due to union and non-union labour increases.				306
> **Consulting** increase due to additional dam safety requirements offset by decrease in general consulting activities				63
> **Other variances**				87

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Energy, Fuels and Risk Management

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***1,591***	***1,884***	[redacted]	***1,939***	***348***	***55***	[redacted]
010 Office Supplies	4	20	[redacted]	20	16	(0)	[redacted]
011 Travel Expense	69	80	[redacted]	80	11	0	[redacted]
012 Materials	0	-	[redacted]	-	(0)	-	[redacted]
013 Contracts	267	592	[redacted]	592	325	-	[redacted]
015 Frt, Post & Delivery	1	-	[redacted]	-	(1)	-	[redacted]
021 Telephones	15	13	[redacted]	13	(2)	-	[redacted]
025 Leasing	11	-	[redacted]	-	(11)	-	[redacted]
028 Consulting	136	227	[redacted]	227	91	0	[redacted]
029 Membership Dues	78	6	[redacted]	6	(72)	0	[redacted]
032 Subscrpt/Info.Software	109	33	[redacted]	33	(76)	-	[redacted]
033 Rental/Mtnce equipment/software	-	-	[redacted]	-	-	-	[redacted]
034 Appl. Software	1	-	[redacted]	-	(1)	-	[redacted]
035 Comp.Hrdwr & Op.Sftwr	28	110	[redacted]	110	82	-	[redacted]
037 Ext. Legal & Audit	-	-	[redacted]	-	-	-	[redacted]
040 Advertising	-	-	[redacted]	-	-	-	[redacted]
041 Meals & Entertainment	12	8	[redacted]	8	(5)	0	[redacted]
051 Gen.Cost Recovery	(0)	-	[redacted]	-	0	-	[redacted]
056 Training & Development	18	32	[redacted]	32	14	-	[redacted]
058 Personal Equipment	-	-	[redacted]	-	-	-	[redacted]
059 Amort.of Def.Op.Costs	-	-	[redacted]	-	-	-	[redacted]
061 Write-offs	215	-	[redacted]	-	(215)	-	[redacted]
066 Other Goods & Services	26	-	[redacted]	-	(26)	-	[redacted]
Total Non-Labour	***991***	***1,121***	[redacted]	***1,121***	***130***	***0***	[redacted]
Total	***2,582***	***3,005***	[redacted]	***3,060***	***478***	***55***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Power Production Energy, Fuels and Risk Management	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	3,060	[redacted]	3,005	2,582
Overview		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
Energy, Fuels and Risk Management includes the resources responsible for fuel procurement, trading, management and generation dispatch.		[redacted]	55	478
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** decrease due to commercial operations incentive reflected in different area in 2007.		[redacted]		
> **Contracts** increase due to fuel procurement and management practice costs				
> **Other variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** increase due to non-union labour increase			55	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increases due to non-union labour increase and fuel procurement and management resource costs				348
> **Contracts** increase due to fuel procurement, and management costs				325
> **Consulting** increase due to fuel procurement consulting costs				91
> **Membership dues** decreased due to reduction in different fuel/coal procurement group memberships.				(72)
> **Subscrpt/Info. Softwar** decreased due to reclassification of expense to Comp. Hdwr & Op. Sftwr account.				(76)
> **Comp. Hdwr & Op. Sftwr** increased due to reclassification of expense from Subscrpt/Info. Softwar account				82
> **Write-offs** decreased due to one-time write-off in 2005.				(215)
> **Other variances**				(5)

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Wind Energy

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***18***	***17***	[redacted]	***21***	***3***	***3***	[redacted]
010 Office Supplies	-	-	[redacted]	-	-	-	[redacted]
011 Travel Expense	1	0	[redacted]	1	0	1	[redacted]
012 Materials	11	3	[redacted]	3	(8)	-	[redacted]
013 Contracts	24	21	[redacted]	36	12	15	[redacted]
014 Overtime Meals	0	0	[redacted]	1	0	0	[redacted]
015 Frt, Post & Delivery	0	-	[redacted]	-	(0)	-	[redacted]
016 Tools & Equipment	0	1	[redacted]	0	0	(0)	[redacted]
020 Royalties, Easements, Appraisals	2	-	[redacted]	-	(2)	-	[redacted]
021 Telephones	-	-	[redacted]	-	-	-	[redacted]
028 Consulting	-	-	[redacted]	-	-	-	[redacted]
029 Membership Dues	-	-	[redacted]	-	-	-	[redacted]
030 Lubricants	-	1	[redacted]	1	1	-	[redacted]
031 Fleet Fuel	-	-	[redacted]	-	-	-	[redacted]
035 Comp.Hrdwr & Op.Sftwr	-	1	[redacted]	-	-	(1)	[redacted]
041 Meals & Entertainment	1	1	[redacted]	2	1	1	[redacted]
058 Personal Equipment	-	0	[redacted]	-	-	(0)	[redacted]
083 Short-term interest	1	1	[redacted]	1	0	(0)	[redacted]
Total Non-Labour	***39***	***29***	[redacted]	***44***	***5***	***16***	[redacted]
Total	***57***	***46***	[redacted]	***65***	***8***	***19***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Power Production Wind Energy	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	65	[redacted]	46	57
Overview		2007 Forecast vs. 2006 Forecast	2007 Forecast vs. 2006 Compliance	2007 Forecast vs. 2005 Actual
Wind Energy includes all costs related to the engineering, maintenance and operation of wind turbine generation stations.		[redacted]	19	8
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> Other variances		[redacted]		
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> Other variances			19	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> Other variances				8

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Regional Operations

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***18,054***	***19,750***	[redacted]	***18,971***	***917***	***(779)***	[redacted]
010 Office Supplies	65	60	[redacted]	66	1	6	[redacted]
011 Travel Expense	283	288	[redacted]	311	28	22	[redacted]
012 Materials	1,482	806	[redacted]	1,036	(446)	230	[redacted]
013 Contracts	1,247	947	[redacted]	1,071	(176)	124	[redacted]
014 Overtime Meals	60	38	[redacted]	60	(0)	22	[redacted]
015 Frt, Post & Delivery	31	36	[redacted]	34	3	(2)	[redacted]
016 Tools & Equipment	64	76	[redacted]	113	49	37	[redacted]
017 Chemicals	-	(0)	[redacted]	-	-	0	[redacted]
018 Gases	8	-	[redacted]	-	(8)	-	[redacted]
019 Water	2	0	[redacted]	2	0	2	[redacted]
020 Royalties/Easements/Appraisals	144	122	[redacted]	128	(16)	6	[redacted]
021 Telephones	581	606	[redacted]	601	20	(5)	[redacted]
023 Data Communication Circuits	234	290	[redacted]	268	34	(22)	[redacted]
025 Leasing	-	-	[redacted]	-	-	-	[redacted]
028 Consulting	5	6	[redacted]	6	1	-	[redacted]
029 Membership Dues	7	8	[redacted]	8	1	0	[redacted]
031 Fleet Fuel	1	1	[redacted]	-	(1)	(1)	[redacted]
032 Subscrpt/Info.Software	-	-	[redacted]	-	-	-	[redacted]
033 Rental/mtnce equipment/software	89	101	[redacted]	97	8	(4)	[redacted]
034 Appl. Software	(1)	14	[redacted]	3	4	(11)	[redacted]
035 Comp.Hrdwr & Op.Sftwr	1	15	[redacted]	5	5	(10)	[redacted]
040 Advertising	0	5	[redacted]	3	3	(3)	[redacted]
041 Meals & Entertainment	143	124	[redacted]	141	(2)	16	[redacted]
042 Employee Benefits	91	87	[redacted]	72	(19)	(15)	[redacted]
044 Energy Use (Non-Electric)	-	-	[redacted]	-	-	-	[redacted]
046 Energy Use	0	-	[redacted]	-	(0)	-	[redacted]
050 Rent	137	92	[redacted]	250	113	158	[redacted]
051 Gen.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
052 Non Reg.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
054 Internal Serv. Received	-	-	[redacted]	-	-	-	[redacted]
056 Training & Development	36	74	[redacted]	52	16	(22)	[redacted]
058 Personal Equipment	269	284	[redacted]	264	(6)	(20)	[redacted]
059 Amort.of Def.Op.Costs	65	1	[redacted]	1	(64)	(0)	[redacted]
061 Write-offs	(34)	0	[redacted]	-	34	-	[redacted]
066 Other Goods & Services	434	295	[redacted]	293	(141)	(2)	[redacted]
083 Short-term interest	128	130	[redacted]	127	(1)	(4)	[redacted]
190 Misc rev/recoveries (OM&G)	(1,331)	(1,120)	[redacted]	(945)	386	175	[redacted]
Total Non-Labour	***4,240***	***3,386***	[redacted]	***4,065***	***(175)***	***679***	[redacted]
Total	***22,294***	***23,136***	[redacted]	***23,036***	***742***	***(100)***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Customer Operations Regional Operations	2007 Forecast 23,036	2006 Forecast [redacted]	2006 Compliance 23,136	2005 Actual 22,294
Overview Regional Operations includes all field related transmission and distribution services across the province.		**2007 Forecast vs. 2006 Forecast** [redacted]	**2007 Forecast vs. 2006 Compliance** (100)	**2007 Forecast vs. 2005 Actual** 742
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase mainly due to union and non-union labour increases.		[redacted]		
> **Other variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** decrease due to reductions in paid time off, safety and general business meetings, the transfer of apprentice program costs, and transfers to the Control Center partially offset by union and non-union labour increases, and an increase in line maintenance reactive work.			(779)	
> **Materials** increase due to additional streetlight and service repairs, and aligning forecast with actual trending for system maintenance work			230	
> **Contracts** increase due to aligning forecast with actual trending for system maintenance work.			124	
> **Rent** increase related to a new agreement with Province of Nova Scotia with respect to use of their integrated mobile radio system			158	
> **Miscellaneous Revenue and Recoveries**decrease due to aligning 2007 forecast profiles to actual trends and adjusting for known non-recurring Accounts Receivable Miscellaneous ("ARM") non electric billings			175	
> **Other variances**			(8)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase due to union and non-union labour increases, increased safety, regulatory training, regional planning backfill, partially offset by reductions in stores, miscellaneous revenue work, and transfers to the Control Center.				917
> **Materials** decrease due to lower 2007 ARM non electric billings, higher volume of streetlight repairs in 2005, and lower expected system maintenance materials				(446)
> **Contracts** decrease due to lower 2007 ARM non electric billings, higher volume of streetlight and service repairs in 2005, lower expected costs for 2007 rigging inspection program, and lower expected system maintenance costs.				(176)
> **Rent** increase due to a new agreement with Province of Nova Scotia with respect to use of their integrated mobile radio system				113
> **Other Goods and Services** decrease due to non recurring and extraordinary damage claims activity in 2005				(141)
> **Miscellaneous Revenue and Recoveries**decrease due to larger 2005 ARM non electric billings and other large projects not expected to reoccur				386
> **Other variances**				89

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Control Center

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***3,232***	***3,383***	[redacted]	***3,829***	***597***	***446***	[redacted]
010 Office Supplies	8	10	[redacted]	10	2	-	[redacted]
011 Travel Expense	37	50	[redacted]	50	13	-	[redacted]
012 Materials	1	7	[redacted]	7	7	-	[redacted]
013 Contracts	209	215	[redacted]	272	63	57	[redacted]
014 Overtime Meals	-	-	[redacted]	-	-	-	[redacted]
015 Frt, Post & Delivery	0	-	[redacted]	-	(0)	-	[redacted]
016 Tools & Equipment	-	-	[redacted]	-	-	-	[redacted]
018 Gases	-	-	[redacted]	-	-	-	[redacted]
019 Water	-	-	[redacted]	-	-	-	[redacted]
020 Royalties/Easements/Appraisals	-	-	[redacted]	-	-	-	[redacted]
021 Telephones	61	71	[redacted]	71	10	-	[redacted]
023 Data Communication Circuits	-	-	[redacted]	-	-	-	[redacted]
025 Leasing	-	-	[redacted]	-	-	-	[redacted]
028 Consulting	51	0	[redacted]	43	(8)	43	[redacted]
029 Membership Dues	3	2	[redacted]	2	(1)	-	[redacted]
031 Fleet Fuel	-	-	[redacted]	-	-	-	[redacted]
032 Subscrpt/Info.Software	1	3	[redacted]	3	2	-	[redacted]
033 Rental/mtnce equipment/software	3	9	[redacted]	9	7	-	[redacted]
034 Appl. Software	0	2	[redacted]	2	2	-	[redacted]
035 Comp.Hrdwr & Op.Sftwr	1	2	[redacted]	2	1	-	[redacted]
040 Advertising	-	-	[redacted]	-	-	-	[redacted]
041 Meals & Entertainment	20	8	[redacted]	8	(12)	-	[redacted]
054 Internal Serv. Received	-	-	[redacted]	-	-	-	[redacted]
055 Warranty & Service Contracts	68	100	[redacted]	100	32	-	[redacted]
056 Training & Development	18	21	[redacted]	21	3	-	[redacted]
058 Personal Equipment	-	0	[redacted]	0	0	-	[redacted]
059 Amort.of Def.Op.Costs	-	-	[redacted]	-	-	-	[redacted]
066 Other Goods & Services	15	10	[redacted]	10	(5)	-	[redacted]
085 Depreciation Expense	-	-	[redacted]	-	-	-	[redacted]
190 Misc rev/recoveries (OM&G)	(37)	-	[redacted]	-	37	-	[redacted]
Total Non Labour	***456***	***509***	[redacted]	***609***	***153***	***100***	[redacted]
Total	***3,688***	***3,892***	[redacted]	***4,438***	***750***	***546***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Customer Operations Control Center	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	4,438	[redacted]	3,892	3,688
Overview The Control Center includes engineering, operations and management resources for the Energy Control Center (ECC) that controls the generation and transmission of power throughout the provincial grid.		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
		[redacted]	546	750
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase due to union and non-union labour increases.		[redacted]		
> **Contracts** increase due to new costs associated with Open Access Transmission System				
> **Other variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** increase due to union and non-union labour increases, the transfer of positions to this work group from Regional Operations and T&D Asset.			446	
> **Contracts** increase due to new costs associated with Open Access Transmission System.			57	
> **Consulting** increase due to costs associated with NSPI's weather service provider.			43	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase due to union and non-union labour increases, the transfer of positions to this cost centre from Regional Operations and T&D Asset, and additonal resources for the distribution desk.				597
> **Contracts** increase due to new costs associated with the Open Access Transmission System.				63
> **Other variances**				90

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

T&D Asset

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***6,295***	***6,361***	[redacted]	***6,817***	***522***	***456***	[redacted]
010 Office Supplies	18	23	[redacted]	21	3	(2)	[redacted]
011 Travel Expense	314	432	[redacted]	367	53	(65)	[redacted]
012 Materials	716	427	[redacted]	1,056	340	629	[redacted]
013 Contracts	9,002	9,934	[redacted]	10,626	1,624	692	[redacted]
014 Overtime Meals	2	2	[redacted]	2	0	1	[redacted]
015 Frt, Post & Delivery	104	107	[redacted]	99	(5)	(8)	[redacted]
016 Tools & Equipment	12	21	[redacted]	36	24	15	[redacted]
020 Royalties/Easements/Appraisals	-	-	[redacted]	-	-	-	[redacted]
021 Telephones	87	70	[redacted]	79	(8)	9	[redacted]
023 Data Communication Circuits	-	-	[redacted]	-	-	-	[redacted]
025 Leasing	(13)	10	[redacted]	5	18	(5)	[redacted]
028 Consulting	28	30	[redacted]	25	(3)	(5)	[redacted]
029 Membership Dues	9	21	[redacted]	23	14	2	[redacted]
031 Fleet Fuel	2,540	2,195	[redacted]	190	(2,350)	(2,005)	[redacted]
032 Subscrpt/Info.Software	1	3	[redacted]	2	1	(1)	[redacted]
033 Rental/mtnce equipment/software	24	48	[redacted]	28	5	(19)	[redacted]
034 Appl. Software	2	7	[redacted]	0	(2)	(6)	[redacted]
035 Comp.Hrdwr & Op.Sftwr	4	11	[redacted]	8	4	(4)	[redacted]
041 Meals & Entertainment	97	91	[redacted]	99	2	8	[redacted]
042 Employee Benefits	30	47	[redacted]	30	(0)	(16)	[redacted]
056 Training & Development	25	60	[redacted]	59	34	(1)	[redacted]
058 Personal Equipment	22	27	[redacted]	25	3	(1)	[redacted]
059 Amort.of Def.Op.Costs	43	0	[redacted]	-	(43)	(0)	[redacted]
061 Write-offs	28	34	[redacted]	31	3	(3)	[redacted]
066 Other Goods & Services	(412)	(389)	[redacted]	(384)	28	5	[redacted]
083 Short-term interest	149	140	[redacted]	185	35	44	[redacted]
085 Depreciation Expense	-	-	[redacted]	-	-	-	[redacted]
190 Misc rev/recoveries (OM&G)	(2,991)	(1,625)	[redacted]	(3,445)	(454)	(1,819)	[redacted]
Total Non-Labour	***9,842***	***11,724***	[redacted]	***9,168***	***(674)***	***(2,556)***	[redacted]
Total	***16,137***	***18,085***	[redacted]	***15,985***	***(152)***	***(2,100)***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Customer Operations T&D Asset	2007 Forecast 15,985	2006 Forecast [redacted]	2006 Compliance 18,085	2005 Actual 16,137
Overview T&D Asset provides centralized services for Customer Operations including: fleet management, forestry, materials management, and integrated work planning		**2007 Forecast vs. 2006 Forecast** [redacted]	**2007 Forecast vs. 2006 Compliance** (2,100)	**2007 Forecast vs. 2005 Actual** (152)
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Material** decrease due to expected reductions in customer requested work.		[redacted]		
> **Contract** decrease due to expected reductions in customer requested work.				
> **Miscellaneous revenue** decrease due to expected reductions in customer requested work from communications companies.				
> **Other variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** increase due to union and non-union labour increases, increased inspection program costs, and account distribution differences between 2007 forecast and 2006 compliance for customer driven work, partially offset by a transfer of positions to the Control Centre.			457	
> **Material** increase due to account distribution differences between 2007 forecast and 2006 compliance for customer driven work.			629	
> **Contract** increase due to account distribution differences between 2007 forecast and 2006 compliance for customer driven work.			692	
> **Fuel** decrease due to a transfer of costs to Customer Operations Administration and Customer Service			(2,005)	
> **Miscellaneous revenue** increase due to account distribution differences between 2007 forecast and 2006 compliance for customer driven work and increased revenue expectations			(1,819)	
> **Other variances**			(54)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase due to union and non-union labour increases and account distribution differences between actual and forecast for customer driven work partially offset by a transfer of positions to the Control Center.				522
> **Material increase** due to account distribution differences between 2007 forecast and actuals for customer driven work				340
> **Contract** increase due to enhanced investment in vegetation management on transmission and distribution systems and account distribution differences between actual and forecast for customer driven work.				1,624
> **Fuel** decrease due to a transfer of costs to Customer Operations Administration and Customer Service				(2,349)
> **Miscellaneous Revenue** increase mainly associated to increased customer line work cost recoveries.				(454)
> **Other Variances**				165

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Customer Operations - Administration (including Storm)

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***4,457***	***3,817***	[redacted]	***3,910***	***(547)***	***93***	[redacted]
010 Office Supplies	6	10	[redacted]	10	4	-	[redacted]
011 Travel Expense	321	294	[redacted]	300	(21)	6	[redacted]
012 Materials	201	0	[redacted]	-	(201)	(0)	[redacted]
013 Contracts	3,495	2,422	[redacted]	2,165	(1,330)	(257)	[redacted]
014 Overtime Meals	50	-	[redacted]	-	(50)	-	[redacted]
015 Frt, Post & Delivery	0	10	[redacted]	5	5	(5)	[redacted]
021 Telephones	9	11	[redacted]	10	1	(1)	[redacted]
025 Leasing	1	-	[redacted]	-	(1)	-	[redacted]
028 Consulting	99	36	[redacted]	35	(64)	(1)	[redacted]
029 Membership Dues	4	6	[redacted]	6	2	-	[redacted]
031 Fleet Fuel	28	-	[redacted]	2,130	2,102	2,130	[redacted]
032 Subscrpt/Info.Software	-	-	[redacted]	-	-	-	[redacted]
033 Rental/mtnce equipment/software	-	-	[redacted]	-	-	-	[redacted]
034 Appl. Software	0	-	[redacted]	-	(0)	-	[redacted]
035 Comp.Hrdwr & Op.Sftwr	0	5	[redacted]	-	(0)	(5)	[redacted]
040 Advertising	-	-	[redacted]	-	-	-	[redacted]
041 Meals & Entertainment	224	173	[redacted]	177	(47)	4	[redacted]
052 Non Reg.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
056 Training & Development	0	16	[redacted]	15	15	(1)	[redacted]
058 Personal Equipment	16	-	[redacted]	-	(16)	-	[redacted]
059 Amort.of Def.Op.Costs	257	(0)	[redacted]	-	(257)	0	[redacted]
061 Write offs			[redacted]	-	-	-	[redacted]
066 Other Goods & Services	3	64	[redacted]	45	42	(19)	[redacted]
190 Misc rev/recoveries (OM&G)	-	-	[redacted]	-	-	-	[redacted]
Total Non-Labour	***4,714***	***3,047***	[redacted]	***4,898***	***184***	***1,851***	[redacted]
Total	***9,171***	***6,864***	[redacted]	***8,808***	***(363)***	***1,944***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Customer Operations Administration (including storm)	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	8,808	[redacted]	6,864	9,171
Overview		**2007 Forecast vs. 2006 Forecast**	**2007 Forecast vs. 2006 Compliance**	**2007 Forecast vs. 2005 Actual**
Customer Operations Administration includes the costs associated with the senior management of the customer operations business unit. For tracking and control purposes, storm costs for the entire province are budgeted and forecasted in Customer Operations.		[redacted]	1,944	(363)
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** decrease due to projected storm response costs offset by union and non-union labour increases.		[redacted]		
> **Travel** decrease due to projected storm response costs.				
> **Contracts** decrease due to projected storm response costs.				
> **Meals & Entertainment** decrease due to projected storm response costs.				
> **Write-offs** increase due to a non-recurring recovery received in 2006.				
> **Other variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** increase due to union and non-union labour increases, increased storm response labour, transfer of Apprenticeship program funding from Regional Operations, offset by labour transfers to Customer Service and Emera.			93	
> **Contracts** decrease due to projected storm response costs			(257)	
> **Fuel** increase related to a transfer of fuel costs from T&D Asset workgroup and increased prices.			2,130	
> **Other variances**			(22)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** decrease due to projected storm response labour and transfers of labour to Customer Service and Emera, offset by union and non-union labour increases and transfer of Apprenticeship program funding from Regional Operations				(547)
> **Materials** decrease due to projected storm response costs.				(201)
> **Contracts** decrease due to projected storm response costs.				(1,330)
> **Consulting** decrease due to non-recurring consulting engagements in 2005.				(64)
> **Fuel** increase related to a transfer of fuel budget from T&D Asset workgroup and rising prices.				2,102
> **Amortization of Deferred Costs** decrease due to the completion of the 3 year amortization of deferred severance costs				(257)
> **Other Variances**				(66)

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Customer Service

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. vs. 2005 Actual	2007 Fct. vs. 2006 Compliance	2007 Fct. vs. 2006 Fct.
Total Labour	***14,044***	***14,748***	[redacted]	***15,654***	***1,610***	***906***	[redacted]
010 Office Supplies	41	40	[redacted]	40	(1)	-	[redacted]
011 Travel Expense	145	126	[redacted]	126	(18)	-	[redacted]
012 Materials	297	271	[redacted]	271	(26)	-	[redacted]
013 Contracts	450	747	[redacted]	747	297	-	[redacted]
014 Overtime Meals	5	9	[redacted]	9	4	-	[redacted]
015 Frt, Post & Delivery	1,936	1,997	[redacted]	1,997	61	-	[redacted]
016 Tools & Equipment	1	4	[redacted]	4	3	-	[redacted]
017 Chemicals	3	1	[redacted]	1	(2)	-	[redacted]
021 Telephones	530	477	[redacted]	477	(52)	-	[redacted]
025 Leasing	17	37	[redacted]	37	20	-	[redacted]
028 Consulting	540	292	[redacted]	292	(249)	-	[redacted]
029 Membership Dues	60	76	[redacted]	76	16	-	[redacted]
031 Fleet Fuel	15	5	[redacted]	344	329	339	[redacted]
032 Subscrpt/Info.Software	(9)	9	[redacted]	9	17	-	[redacted]
033 Rental/mtnce equipment/software	73	321	[redacted]	921	848	600	[redacted]
034 Appl. Software	-	1	[redacted]	1	1	-	[redacted]
035 Comp.Hrdwr & Op.Sftwr	1	-	[redacted]	-	(1)	-	[redacted]
040 Advertising	124	423	[redacted]	423	299	-	[redacted]
041 Meals & Entertainment	103	86	[redacted]	86	(17)	-	[redacted]
042 Employee Benefits	100	52	[redacted]	52	(48)	-	[redacted]
051 Gen.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
052 Non Reg.Cost Recovery	-	-	[redacted]	-	-	-	[redacted]
055 Warranty & Service Co	1	12	[redacted]	12	11	-	[redacted]
056 Training & Development	29	35	[redacted]	35	6	-	[redacted]
058 Personal Equipment	49	50	[redacted]	50	1	-	[redacted]
059 Amort.of Def.Op.Costs	141	19	[redacted]	19	(122)	-	[redacted]
060 Commissions	283	331	[redacted]	331	47	-	[redacted]
061 Write-offs	5,129	4,300	[redacted]	4,300	(829)	-	[redacted]
062 Recoveries	(1,050)	(1,412)	[redacted]	(1,412)	(363)	-	[redacted]
064 Customer Recovery	16	15	[redacted]	15	(1)	-	[redacted]
066 Other Goods & Services	41	554	[redacted]	554	513	0	[redacted]
083 Short-term interest	(113)	(180)	[redacted]	(180)	(67)	-	[redacted]
190 Misc rev/recoveries (OM&G)	(349)	(259)	[redacted]	(259)	91	-	[redacted]
Total Non-Labour	***8,609***	***8,438***	[redacted]	***9,377***	***768***	***939***	[redacted]
Total	***22,653***	***23,186***	[redacted]	***25,031***	***2,378***	***1,845***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Customer Service	2007 Forecast	2006 Forecast	2006 Compliance	2005 Actual
	25,031	[redacted]	23,186	22,653
Overview		2007 Forecast vs. 2006 Forecast	2007 Forecast vs. 2006 Compliance	2007 Forecast vs. 2005 Actual
Customer Service includes the call center, billing, credit, customer quality services, marketing and sales and meter services		[redacted]	1,845	2,378
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** increase includes union and non-union labour increases.		[redacted]		
> **Contracts** increase due to one-time 2006 contract reductions achieved in various areas including telephone stress test and customer research.				
> **Consulting** decrease due to 2007 DSM budgeted in Other Goods & Services. 2006 forecast in Consulting.				
> **Gen. Cost Recovery** decrease due to 2006 being slightly better than original forecast as a result of a one-time recovery.				
> **Recoveries** decrease due to one-time recovery of disputed amount owed from large industrial customer.				
> **Other Goods & Services** increase due to 2007 DSM budgeted in Other Goods & Services. 2006 forecast in Consulting.				
> **Other variances**				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** increase due to union and non-union increase plus a transfer of positions from COPS Administration.			906	
> **Fleet Fuel** increase due to transfer from T&D Asset.			339	
> **Rental & Maintenance of equipment and software** increase due to transfer of current contract from the IT Dept to the Call Centre for IVR (interactive voice response).			600	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** increase due to union and non-union labour increase, plus a transfer of positions from COPS Administration and hiring for unfilled positions.				1,610
> **Contracts** increase due to high volume/IVR test component of telephone Technology improvements and HVCA (high volume call answering system) reporting, plus a transfer of the SEIS expense from Consulting.				297
> **Consulting** decrease due to a transfer of SEIS expenses to Contracts and the Energy Forum held in 2005.				(249)
> **Fleet Fuel** increase due to transfer from T&D Asset.				329
> **Rental & Maintenance of equipment and software** increase due to telephone technology improvements including expanded call recording capacity, IVR (interactive voice response) enhancements , and outbound outage calling technology. Plus transfer of current contract from the Corporate IT department to the Call Center for IVR.				848
> **Advertising** increase due to storm preparedness and power restorations communications.				299
> **Amort. Of Def.Op.Costs** decrease due to non-recurring severance payments in 2005.				(122)
> **Write offs** decrease due to a one time large customer write-off in 2005.				(829)
> **Recoveries** increase due to customer deposits debit adjustment in 2005, plus reduced recoveries in 2005.				(363)
> **Other Goods and Services** increase due to increased investment in DSM over 2005.				513
> **Other variances**				45

Corporate Adjustments

(in Thousands of $)

	2005 Actual	2006 Compliance	2006 Forecast	2007 Forecast	2007 Fct. Vs. 2005 Actual	2007 Fct. Vs. 2006 Compliance	2007 Fct. Vs. 2006 Fct.
Total Labour	***2,978***	***3,650***	[redacted]	***2,026***	***(952)***	***(1,624)***	[redacted]
011 Travel Expense	-	-	[redacted]	-	-	-	[redacted]
013 Contracts	-	-		-	-	-	
035 Comp.Hrdwr & Op.Sftwr	-	-		-	-	-	
037 Ext. Legal & Audit	-	-		-	-	-	
042 Employee Benefits	16,443	24,596		27,841	11,398	3,245	
046 Energy Use	-	-		-	-	-	
051 General Cost Recovery	(57)	-		-	57	-	
052 Non Reg.Cost Recovery	-	-		-	-	-	
057 Corp. Support Transfer	(1,819)	(1,654)		(1,008)	811	646	
059 Amort.of Def.Op.Costs	1,720	-		-	(1,720)	-	
061 Write-offs	-	-		-	-	-	
066 Other Goods & Service	174	191		191	17	-	
083 Short-term interest	(887)	(864)		(864)	23	-	
085 Depreciation Expense	-	-		-	-	-	
091 Tax Assessment	19	-		-	(19)	-	
092 Vehicle Allocated Costs	(3,096)	(3,525)		(3,337)	(241)	188	
095 Admin. Overheads	(9,051)	(11,265)		(12,121)	(3,070)	(856)	
Total Non-Labour	***3,446***	***7,479***	[redacted]	***10,702***	***7,256***	***3,223***	[redacted]
Total	***6,424***	***11,129***	[redacted]	***12,728***	***6,304***	***1,599***	[redacted]

Forecasts are compiled for purposes of the Rate Application and are not intended to be relied upon for other purposes.

Responsibility Area Corporate Groups Corporate Adjustments	2007 Forecast 12,728	2006 Forecast [redacted]	2006 Compliance 11,129	2005 Actual 6,424
Overview Corporate Adjustments are expenses not assigned to a specific business unit or functionnal area. This includes payroll costs (including year-end payroll accrual, incentives and deferred severance), a portion of pension expenses and capital overhead contributions.		**2007 Forecast vs. 2006 Forecast** [redacted]	**2007 Forecast vs. 2006 Compliance** 1,599	**2007 Forecast vs. 2005 Actual** 6,304
2007 Forecast vs. 2006 Forecast (Thousands of $)				
> **Labour** decrease due to realignment of bonuses and incentives associated with realignment of staff to Emera.		[redacted]		
> **Employee Benefits (Pension Exp)** decrease due to reduction in anticipated pension costs.				
> **Corporate Support Transfer** decreased due to realignment of executive and associated costs.				
> **Vehicle Overheads** decreased recovery due to decreased internal labour charged to capital work.				
> **Admin Overheads** increased recovery due to increase in capital spending.				
2007 Forecast vs. 2006 Compliance (Thousands of $)				
> **Labour** decrease due to realignment of bonuses and incentives associated with realignment of staff to Emera.			(1,624)	
> **Employee Benefits (Pension Exp)** increase due to increase in pension costs.			3,245	
> **Corporate Support Transfer** - decreased due to realignment of executive and associated costs.			646	
> **Vehicle Overheads** decreased recovery due to decreased internal labour charged to capital work			188	
> **Admin Overheads** increased recovery due to increase in capital spending.			(856)	
2007 Forecast vs. 2005 Actual (Thousands of $)				
> **Labour** decrease due to realignment of bonuses and incentives associated with realignment of staff to Emera.				(952)
> **Employee Benefits (Pension Exp)** increase due to additional pension costs.				11,398
> **General Cost Recovery** decreased recovery due to 2005 accounts payable recovery from Profit Recovery Group that is not forecasted due to uncertainty of recovery.				57
> **Corporate Support Transfer** -the amount recoverable from affiliates decreased due to incentives as per UARB directive and realignment of executive and associated costs.				811
> **Amortization of Deferred Operating Costs** decrease due to removal of the deferral of 2005 regulatory costs partially offset by amortization of 2002 deferred severance costs in 2005.				(1,720)
> **Vehicle Overheads** decreased recovery due to reduction of internal labour charged to capital work				(241)
> **Admin Overheads** increased recovery due to increase in capital spending.				(3,070)
> **Other Variances**				21