

NB Power Distribution and Customer Service Class Cost Allocation Study
Total Unit Cost by Rate Class - Fiscal Year 2006-07 Budget
(\$000)

	1	2	3	4	5	6	7	8	9
	Net	Total	Adjusted	Total	Non-Coin		Demand	Customer	Overall
	Revenue	Demand	Demand	Customer	Demand kW	Avg # Of	Cost	Cost	Distribution
Residential End Use	Requirement	Cost	Cost (1)	Cost (2)	at Meter	Customers	\$/kW/Yr	\$/Month	Cost
									¢/kWh (3)
(1) Wires Service	193,702	97,335	97,335	96,367	2,309,322	327,739	42.15	24.50	2.39
(2) Residential	153,303	69,995	69,995	83,308	1,522,465	301,253	45.97	23.04	3.06
Residential Electric Heat	44,988	44,988	29,356	0	978,543	0	45.97	0.00	2.09
Residential Water Heat Sales	7,186	7,186	7,186	0	156,303	0	45.97	0.00	0.73
Residential All Other Uses (3)	101,129	17,821	33,452	83,308	387,619	301,253	45.97	23.04	5.42
(3) Residential - Electric Heated	107,186	57,617	53,739	49,568	1,253,244	179,246	42.88	23.04	2.78
(4) Residential - All Other customers	46,117	12,377	16,255	33,740	269,222	122,007	60.38	23.04	4.00
(5) General Service I	15,978	8,114	8,114	7,864	210,767	18,096	38.50	36.21	1.52
(6) General Service II	14,741	11,741	11,741	3,000	337,785	6,563	34.76	38.09	1.25
(7) Small Industrial	7,865	5,775	5,775	2,090	175,600	1,791	32.89	97.25	1.64
(8) Large Industrial Distribution	1,816	1,711	1,711	105	62,705	37	27.28	236.61	0.47
(9) Street Lights & Unmetered	5,163	957	957	4,206	18,984	2,300	50.41	152.39	6.79
(10) Water Heaters	10,787			10,787		230,000		3.91	
(11) Transmission Customer Services	6,253	1,539	1,539	4,714					
(12) Industrial	3,767			3,767		38		8,261	
(13) Wholesale	947			947		2		39,475	
(14) Industrial Substations	1,538	1,538	1,538						
(15) Wholesale Substations	1	1	1						
(16) Totals	215,906	99,831	99,831	116,075	2,328,306				2.64

Basis of Allocation

Sch 4.5	Col 1 + Sch 4.5	Calc	Col 1 + Sch 4.5	Sch 1.3	Sch 1.4	Calc	Calc.	Col 1 / Sch 1.1 Col 1
Col 11	Col 1+3+5	Col 2	Col 2+4+6+7	Col 2	Col 1	Col 3/5	Col 4/6	

Notes:

- (17) (1) Segmented residential demand cost adjusted to reflect lower incremental cost of electric heat demand. (\$30 per kW compared to embedded average of \$45.97 per kW)
(18) (2) Column 4 includes weighted customer costs
(19) (3) Per kWh cost based on energy served at the meter

Direct Evidence of Mr. Neil Larlee - Dated January 24, 2006
Revised February 7, 2006
Board Reference: 2005-002

Appendix F: Schedule 4.6, Cost Allocation and Rate Design Study, showing segmented residential use data.