

Northern Border Pipeline Company  
 Classification of Cost of Service

Line No.	Description (a)	Schedule Reference (b)	Market Area Total (c)	Fixed (d)	Variable (e)	F/N ID
O&M EXPENSES:						
Transmission Expense-Operations						
1	850 Labor		1,344,333	1,344,333		0
2	Mat & Other		687,092	687,092		0
3	851 Labor		212,433	212,433		0
4	Mat & Other		11,319	11,319		0
5	852 Labor		341,183	341,183		0
6	Mat & Other		188,956	188,956		0
7	853 Labor		746,625	746,625		0
8	Mat & Other		1,909,243	0	1,909,243	
9	855 Mat & Other		7,323,097	4,254,365	3,068,731	
10	856 Labor		293,364	293,364		0
11	Mat & Other		416,816	416,816		0
12	857 Labor		136,119	136,119		0
13	Mat & Other		121,595	121,595		0
14	860 Mat & Other		(4,131)	(4,131)		0
15	Total Operations Expense		13,728,044	8,750,069	4,977,974	
Maintenance						
16	862 Labor		4,745	4,745		0
17	Mat & Other		16,483	16,483		0
18	863 Labor		240,075	240,075		0
19	Mat & Other		678	678		0
20	864 Labor		560,394	560,394		0
21	Mat & Other		1,095	0	1,095	
22	865 Labor		140,215	140,215		0
23	Mat & Other		638	638		0
24	Total Maintenance Expense		964,323	963,228	1,095	
25	Total Transmission Expenses		14,692,367	9,713,297	4,979,069	
Sales Expenses						
26	912 Mat & Other		38,654	38,654		0
27	913 Mat & Other		21,640	21,640		0
28	Total Sales Expenses		60,294	60,294		0
Administration & General Expense						
29	920 Labor		3,546,829	3,546,829		0
30	921 Mat & Other		1,213,139	1,213,139		0
31	922 Mat & Other		(33,022)	(33,022)		0
32	923 Mat & Other		1,301,377	1,301,377		0
33	924 Mat & Other		92,809	92,809		0
34	925 Mat & Other		676,744	676,744		0
35	926 Mat & Other		4,355,344	4,355,344		0
36	928 Mat & Other		478,029	478,029		0
37	930.1 Mat & Other		1,212,804	1,212,804		0
38	930.2 Mat & Other		35,836	35,836		0
39	931 Mat & Other		169,356	169,356		0
40	Total Administration & General		13,049,245	13,049,245		0
Donations						
41	426.1		24,545	24,545		0
42	Total Oper & Maint Expense	H-1	27,826,451	22,847,381	4,979,069	
43	Depreciation and Amortization	H-2	56,543,565	56,543,565		0
44	Amortization of Certain Regulatory Assets	B-2	(486,169)	(486,169)		0
RETURN ON RATE BASE:						
45	Debt Component		29,018,472	29,018,472		0
46	Equity Component		57,058,792	57,058,792		0
47	Total Return	B	86,077,264	86,077,264		0
48	State and Federal Income Taxes		36,065,056	36,065,056		0
TAXES OTHER THAN INCOME:						
49	Ad Valorem Taxes		15,092,571	15,092,571		0
50	Payroll Taxes		626,854	626,854		0
51	Compressor Fuel Use Tax		1,472,061	0	1,472,061	
52	Other Taxes		6,040	6,040		0
53	Total Taxes Other Than Income	H-4	17,197,526	15,725,465	1,472,061	
54	Total Cost of Service		<u>\$223,223,692</u>	<u>\$216,772,562</u>	<u>\$6,451,130</u>	