

Northern Border Pipeline Company
 Classification of Cost of Service

Line No.	Description (a)	Schedule Reference (b)	Fixed (c)	Variable (d)	F/N ID
	Basis for the Classification of Cost of Service				
	O&M EXPENSES:	H-1			
	Transmission Expense-Operations				
1	850 Labor		100.00%	0.00%	
2	Mat & Other		100.00%	0.00%	
3	851 Labor		100.00%	0.00%	
4	Mat & Other		100.00%	0.00%	
5	852 Labor		100.00%	0.00%	
6	Mat & Other		100.00%	0.00%	
7	853 Labor		100.00%	0.00%	
8	Mat & Other		0.00%	100.00%	
9	855 Mat & Other		58.10%	41.90%	
10	856 Labor		100.00%	0.00%	
11	Mat & Other		100.00%	0.00%	
12	857 Labor		100.00%	0.00%	
13	Mat & Other		100.00%	0.00%	
14	860 Mat & Other		100.00%	0.00%	
	Maintenance				
15	862 Labor		100.00%	0.00%	
16	Mat & Other		100.00%	0.00%	
17	863 Labor		100.00%	0.00%	
18	Mat & Other		100.00%	0.00%	
19	864 Labor		100.00%	0.00%	
20	Mat & Other		0.00%	100.00%	
21	865 Labor		100.00%	0.00%	
22	Mat & Other		100.00%	0.00%	
	Sales Expenses				
23	912 Mat & Other		100.00%	0.00%	
24	913 Mat & Other		100.00%	0.00%	
	Administration & General Expense				
25	920 Labor		100.00%	0.00%	
26	921 Mat & Other		100.00%	0.00%	
	922 Mat & Other		100.00%	0.00%	
27	923 Mat & Other		100.00%	0.00%	
28	924 Mat & Other		100.00%	0.00%	
29	925 Mat & Other		100.00%	0.00%	
30	926 Mat & Other		100.00%	0.00%	
31	928 Mat & Other		100.00%	0.00%	
32	930.1 Mat & Other		100.00%	0.00%	
33	930.2 Mat & Other		100.00%	0.00%	
34	931 Mat & Other		100.00%	0.00%	
	Donations				
35	426.1		100.00%	0.00%	
36	Depreciation and Amortization	H-2	100.00%	0.00%	
37	Amortization of Certain Regulatory Assets	B-2	100.00%	0.00%	
	RETURN ON RATE BASE:	B			
38	Debt Component		100.00%	0.00%	
39	Equity Component		100.00%	0.00%	
40	Federal and State Income Taxes	H-3	100.00%	0.00%	
	TAXES OTHER THAN INCOME:	H-4			
41	Ad Valorem Taxes		100.00%	0.00%	
42	Payroll Taxes		100.00%	0.00%	
43	Compressor Fuel Use Tax		0.00%	100.00%	
44	Other Taxes		100.00%	0.00%	