

Northern Border Pipeline Company
Classification of Cost of Service

Line No.	Description (a)	Schedule Reference (b)	Transmission Total (c)	Fixed (d)	Variable (e)	F/N ID
O&M EXPENSES:						
Transmission Expense-Operations						
1	850 Labor		2,149,901	2,149,901		0
2	Mat & Other		1,104,117	1,104,117		0
3	851 Labor		339,730	339,730		0
4	Mat & Other		18,189	18,189		0
5	852 Labor		545,631	545,631		0
6	Mat & Other		303,641	303,641		0
7	853 Labor		1,194,027	1,194,027		0
8	Mat & Other		3,068,042	0	3,068,042	
9	855 Mat & Other		12,148,468	7,057,673	5,090,795	
10	856 Labor		469,157	469,157		0
11	Mat & Other		669,799	669,799		0
12	857 Labor		217,686	217,686		0
13	Mat & Other		195,396	195,396		0
14	860 Mat & Other		(6,638)	(6,638)		0
15	Total Operations Expense		22,417,146	14,258,309	8,158,837	
Maintenance						
16	862 Labor		7,589	7,589		0
17	Mat & Other		26,488	26,488		0
18	863 Labor		383,935	383,935		0
19	Mat & Other		1,089	1,089		0
20	864 Labor		896,201	896,201		0
21	Mat & Other		1,760	0	1,760	
22	865 Labor		224,237	224,237		0
23	Mat & Other		1,025	1,025		0
24	Total Maintenance Expense		1,542,324	1,540,564	1,760	
25	Total Transmission Expenses		23,959,470	15,798,873	8,160,597	
Sales Expenses						
26	912 Mat & Other		56,602	56,602		0
27	913 Mat & Other		31,688	31,688		0
28	Total Sales Expenses		88,290	88,290		0
Administration & General Expense						
29	920 Labor		5,193,775	5,193,775		0
30	921 Mat & Other		1,776,452	1,776,452		0
31	922 Mat & Other		(48,356)	(48,356)		0
32	923 Mat & Other		1,905,662	1,905,662		0
33	924 Mat & Other		135,904	135,904		0
34	925 Mat & Other		990,985	990,985		0
35	926 Mat & Other		6,377,718	6,377,718		0
36	928 Mat & Other		699,999	699,999		0
37	930.1 Mat & Other		1,775,961	1,775,961		0
38	930.2 Mat & Other		52,476	52,476		0
39	931 Mat & Other		247,995	247,995		0
40	Total Administration & General		19,108,571	19,108,571		0
Donations						
41	426.1		35,943	35,943		0
42	TOTAL O&M EXPENSE	H-1	43,192,274	35,031,677	8,160,597	
43	Depreciation and Amortization	H-2	86,896,520	86,896,520		0
44	Amortization of Certain Regulatory Assets	B-2	(711,918)	(711,918)		0
RETURN ON RATE BASE:						
45	Debt Component	B	40,911,422	40,911,422		0
46	Equity Component	B	80,443,807	80,443,807		0
47	Total Return		121,355,229	121,355,229		0
48	State and Federal Income Taxes	H-3	50,845,984	50,845,984		0
TAXES OTHER THAN INCOME:						
50	Ad Valorem Taxes		30,436,291	30,436,291		0
51	Payroll Taxes		962,761	962,761		0
52	Compressor Fuel Use Tax		2,442,039	0	2,442,039	
52	Other Taxes		8,844	8,844		0
53	Total Taxes Other Than Income	H-4	33,849,935	31,407,896	2,442,039	
54	TOTAL COST OF SERVICE	A	\$335,428,023	\$324,825,387	\$10,602,636	