

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		0	0	0	
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		6,404,947	4,495,704	1,909,243	
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		7,369,270	5,458,932	1,910,338	
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	20,503,354	18,593,016	1,910,338	
43	Depreciation and Amortization	H-2	56,543,566	56,543,566	0	
44	Amortization of Certain Regulatory Assets	B-2	(486,169)	(486,169)	0	
RETURN ON RATE BASE:						
45	Debt Component		29,018,471	29,018,471	0	
46	Equity Component		57,058,792	57,058,792	0	
47	Total Return	B	86,077,263	86,077,263	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	Other Taxes		6,040	6,040	0	
52	Total Taxes Other Than Income	H-4	15,725,465	15,725,465	0	
53	Total Cost of Service		<u>\$214,428,535</u>	<u>\$212,518,197</u>	<u>\$1,910,338</u>	