

SCHEDULE C (Update of June 2004)

Functional Revenue Requirements Summary

(\$ millions)

Line	Reference	F2003	F2004	F2005	F2006	
		Actual	Actual	Forecast	Forecast	
1	Cost of Service - Generation (Heritage Contract)	C1	966.0	1,268.6	1,279.6	1,193.7
2	Cost of Service - Energy Supply Cost less Heritage Payment Obligation	C2	346.1	446.2	464.4	498.8
3	Cost of Service - Transmission BC Hydro portion	C3	539.6	560.2	555.9	392.3
4	Cost of Service - Electricity Distribution and Non-Integrated Areas	C4	467.3	476.0	516.3	541.9
5	Cost of Service - Customer Care ¹	C5	92.7	111.1	105.5	101.1
6	Cost of Service - Corporate	C6	65.0	(8.7)	-	-
7	Cost of Service - Service Organizations and Subsidiaries	C7	(6.4)	0.9	1.5	0.8
8			<u>2,470.3</u>	<u>2,854.3</u>	<u>2,923.2</u>	<u>2,728.6</u>
9	Asset Management Fee from BCTC	BCTC	-	-	-	116.7
10	Wholesale Transmission Service Charges from BCTC	BCTC	-	-	-	61.0
11			<u>2,470.3</u>	<u>2,854.3</u>	<u>2,923.2</u>	<u>2,906.3</u>
12	Less: Transmission Point-to-Point Wheeling in Miscellaneous Revenues ¹	A-8	0.8	4.9	5.5	-
13	Inter-Segment Revenues	A-1	6.0	62.0	124.0	140.0
14			<u>6.8</u>	<u>66.9</u>	<u>129.5</u>	<u>140.0</u>
15	Total Cost of Service		<u>2,463.5</u>	<u>2,787.4</u>	<u>2,793.7</u>	<u>2,766.3</u>
Contributions by Customer Segment						
16	Residential		923	960	1,050	1,073
17	Light Industrial and Commercial		893	912	988	1,009
18	Large Industrial		516	525	568	567
19	Other Energy Sales		88	89	91	92
	Transfer from RSA		66	21		
20			<u>2,486</u>	<u>2,507</u>	<u>2,697</u>	<u>2,741</u>
21	Less: Other Utilities revenues included in Other Energy Sales		22	18	19	20
22			<u>2,464</u>	<u>2,489</u>	<u>2,678</u>	<u>2,721</u>
23	Net Income Shortfall		-	298.4	115.7	45.3
23			(0.5)	-	-	-
23			<u>2,463.5</u>	<u>2,787.4</u>	<u>2,793.7</u>	<u>2,766.3</u>

Notes:

1. These relate to Wheeling tariff revenues and are therefore not deducted in calculating the Transmission Cost of Service. They are deducted in calculating BC Hydro's total cost of service.

Shaded amounts indicate changes from the Revised Evidentiary Update.