

DISTRIBUTION AND CUSTOMER SERVICES COSTS

1 Distribution and customer services costs are composed as follows:

	COSTS OF DISTRIBUTION & CUSTOMER SERVICES			
	(in millions of dollars)			
	<i>Financial Period Ending December 31</i>			
	Historical Years		Base Year	Forecast Year
	2001	2002	2003	2004
Operating charges	950.6	983.7	971.4	971.4
Direct gross expenses	794.2	843.0	844.6	862.4
Salaries	524.1	574.5	569.9	581.0
Other direct expenses	310.9	316.3	317.0	323.6
Cost recovery	-40.8	-47.8	-42.3	-42.2
Shared work expenses	398.5	391.8	390.5	386.0
Capitalized costs	-254.1	-252.4	-265.8	-271.2
Corporate expenses	35.8	36.4	44.9	45.4
Submitted internal invoicing	-23.8	-35.1	-42.8	-51.2
Exceptional elements	-37.8	-48.2	-49.9	-24.1
Retirement credit	-31.9	-42.3	-44.0	-18.2
Credit of interests connected to governmental refunding	-5.9	-5.9	-5.9	-5.9
Other expenses	547.4	564.5	562.4	563.1
Submitted external invoicing	-70.3	-53.2	-51.3	-52.0
Capital Cost	799.2	736.8	691.1	690.9
COSTS OF DISTRIBUTION AND CUSTOMER SERVICES	2 189.1	2 183.6	2 123.8	2 149.3

2