

1 **Section 2: Customer Operation/Operating Costs**

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3 **Q. (Section 2, page 2-29) Please provide an explanation for the differences between**
4 **Gross Operating Costs as given in Table 2-3 and the Operating expenses given in**
5 **Exhibit 3, page 1 of 9, line 15. With the requested explanation, please use a table**
6 **that itemizes the differences and reconciles the two values for each of 2022, 2023 and**
7 **2024F.**

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9 A. Differences between gross operating costs in Table 2-3 and Exhibit 3 of the Company's
10 evidence are related to approved regulatory mechanisms. This includes amortization of
11 Conservation and Demand Management costs and annual transfers to general expenses
12 capitalized.

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14 See the response to Request for Information NLH-NP-039 for the information requested.