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1 Q. (a) Indicate for each year from 1992 to 2000, and projections for 2001
2 and 2002, the amount of dividends declared (or forecast to be
3 declared) by Hydro with respect to its utility operations, the level of
4 utility net income for the year, and the percent that dividends are of
5 such net income each year.

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7 (b) What was the rationale for the Board of Directors decision to start
8 declaring dividends?

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10 (c) What is the Board of Directors' rationale for the specific levels of
11 dividend declared?

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13 (d) What would be the utility's 2002 test year capital structure if no
14 dividends had been declared to date and none were declared for
15 2002?

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18 A. (a) Please refer to NP-72.

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20 (b) Please refer to NP-168.

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22 (c) Please refer to NP-169.

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24 (d) Please see schedule attached.

DIVIDEND IMPACT ON EARNINGS

	Dividends Pd to Date	Embedded Cost of Debt	Interest Impact	Cumulative Impact
1995	14,500	9.70%		14,500
1996	9,688	9.60%	1,392	25,580
1997	12,357	8.95%	2,289	40,226
1998	10,489	8.80%	3,540	54,255
1999	1,309	8.55%	4,639	60,203
2000	10,026	8.40%	5,057	75,286
2001	11,976	8.35%	6,283	93,545
2002	70,147	8.35%	7,806	171,498
	140,492		31,006	

CAPITAL STRUCTURE

	<u>AS FILED</u>		<u>REVISED</u>	
	<u>2002</u>	<u>%</u>	<u>2002</u>	<u>%</u>
Total Debt at end of year	1,380,949	85.51%	1,209,451	74.89%
Employee Future Benefits	25,123	1.56%	25,123	1.56%
Total Equity at end of year	<u>208,830</u>	<u>12.93%</u>	<u>380,328</u>	<u>23.55%</u>
	<u>1,614,902</u>	<u>100.00%</u>	<u>1,614,902</u>	<u>100.00%</u>