

1 Q. Assuming that the cost of debt to Hydro would be 100 basis points more
2 without the government guarantee, how much in dollars would this 100 basis
3 points represent as a cost to Hydro in the test year?
4

5 A. As the 1% guarantee is applied to virtually all of Hydro's debt, the answer
6 would effectively be equal to the test year guarantee fee, which is currently
7 reported as \$11.9 million. (Please see NP-77 for revised calculation.)