

1 Q. Provide NLH's debt-equity breakdown and rate of return on equity for its
2 consolidated operations for each year since 1992 to 2002 and forecasts for
3 2003 and 2004. Forecasts for 2004 should be for both existing rates as well
4 as proposed rates for 2004. Also, in the same table provide the
5 corresponding figures for regulated activities.

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8 A. The following table provides debt to capital ratios and rate of return on equity
9 for consolidated and regulated operations for the period 1992 to forecast
10 2004. Consolidated ratios for forecast 2003 and 2004 are not available as
11 consolidated financial statements are not forecast. As well, 2004 is based on
12 proposed rates only. Forecasts for 2004 are not prepared on the basis of
13 existing rates.

	Consolidated		Adjusted Corporate¹	
	Debt/Capital	Return on Equity	Debt/Capital	Return on Equity
1992	69.61%	3.77%	82.39%	7.98%
1993	68.27%	3.67%	81.44%	6.09%
1994	66.86%	2.43%	80.45%	5.32%
1995	69.00%	4.57%	80.57%	9.26%
1996	68.13%	3.93%	81.22%	8.09%
1997	66.89%	5.74%	79.86%	11.60%
1998	64.58%	8.76%	78.95%	8.66%
1999	63.58%	6.61%	79.22%	4.46%
2000	65.97%	4.90%	79.35%	2.09%
2001	67.37%	7.93%	80.42%	4.43%
2002	71.75%	9.01%	85.11%	4.03%
2003 Forecast	n/a	n/a	86.44%	-3.77%
2004 Forecast ²	n/a	n/a	85.83%	9.55%

¹ Excludes subsidiary companies, export sales to Hydro Québec, and from 2001 onwards, IOCC revenue in excess of costs allocated.

² August 12th revision.