Q. Regarding Roberts Schedule VIII: For the updated NP-217 and NP-142 values, please explain, in detail, the calculation of any “excess of assets over capital structure” including all figures necessary to illustrate the differences arising from mid-year balances and 13 month averages.

A. Average total earning assets exceed the balance sheet average capital structure because fuel and supplies balances in the rate base are based on 13 month averages, rather than balance sheet averages, and cash working capital requirements are based on a lead lag study rather than balance sheet averages.

Reconciliation of Earning Assets to Capital:

	Balance Sheet				
	2003	**2004**	**Average**	**Ratebase**	**Diff.**
Fuel & Supplies	35,817	31,621	33,719	34,294	575
Accounts Receivable	42,452	47,974			
Prepaid Expenses	2,056	1,958			
Accounts Payable	(41,603)	(35,473)			
Accrued Interest	(27,955)	(29,705)			
Net 'Cash' Working Capital	(25,050)	(15,246)	(20,148)	3,057	23,205
					23,780