

1   Q.   Referring to page 17, lines 22-26: Please provide a detailed explanation of  
2       (and reconciliation between) Hydro's regulated capital structure of 86% debt  
3       and its consolidated Corporate capital structure of less than 70% debt.

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6   A.   The regulated capital structure of 86% debt is for the forecast year 2004,  
7       while the consolidated corporate capital structure of less than 70% debt  
8       refers to the period 1997 to 2001 and are not reconcilable to one another.

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10       Please see CA-98 NLH for comparative consolidated and adjusted corporate  
11       debt to capital ratios.