

1     Q.     Reference: Schedule I to the evidence of M. G. Bradbury. What evidence  
2           does Hydro have at its disposal from third party sources that indicates that its  
3           Group Insurance costs are to increase from \$1.557 million in 2005 to \$1.692  
4           million in 2006 and to \$1.864 million in 2007? Please provide the same.

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7     A.     The anticipated increase in group insurance costs is based on the advice and  
8           recommendation of Hydro's benefit consultants, consistent with industry  
9           projections based on health cost trends and utilization.