

1 Q. Further to Page 97 of 110 of the "Board of Commissioners of Public Utilities
2 Financial Consultant Report", please refer to the following reconciliation
3 amounts between Hydro's 2013 capital expenditures of \$80.657 million in the
4 statement of cash flows in "Financial Results and Forecasts" report, filed on
5 March 14, 2014 (Finance Schedule 1, Page 3 of 11) and capital expenditures of
6 \$80.255 million in the Capital Expenditures and Carryover Report December
7 31, 2013. Do you agree that this reconciles the difference of \$402,000?

	2013 Capital Expenditures (000's)
2013 capital expenditures in finance schedule 1, page 3 of 11	\$80,657
Less:	
FEED costs incurred in 2013 relating to 2014	(\$253)
Writeoffs in WIP	(\$149)
Capital Expenditures and Carryover Report December 31, 2013	\$80,255

18 A. We agree that Front End Engineering Design ("FEED") costs for a capital project
19 to be undertaken in a year subsequent to 2013 would be a reconciling item between
20 the 2013 cash flows and 2013 capital expenditures. It states in Hydro's "*Capital*
21 *Expenditures and Carryover Report*" for the year ending December 31, 2013, page
22 3, note 3, that \$252,500 of FEED costs incurred in 2013 relating to 2014 have not
23 been included.

25 We agree that the writeoff of capital WIP amounts that were paid in the current
26 year would be a reconciling item between 2013 cash flows and 2013 capital
27 expenditures as reported in Hydro's "*Capital Expenditures and Carryover Report*"
28 for the year. We have not verified that \$149,000 is the amount written off during
29 the year.