

1 Q. Please reconcile net regulated debt per line 10 to the total regulated debt in return
2 15 of Hydro's 2012 annual financial return filed pursuant to Section 59(2) of the
3 *Public Utilities Act*. (Finance Evidence, Schedule I, page 4 of 11)

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6 A. The following is a reconciliation of the difference:

	2012
	<u>(\$000s)</u>
Total Regulated Debt - Return 15	957,159
Mark-to-Market value	(105)
Promissory Note	<u>(125)</u>
Net Regulated Debt - Finance Evidence, Schedule 1, page 4 of 11	956,929

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8 The difference of \$230K in the 2012 Annual Return cost of debt was approximately
9 0.002%. The balance was appropriately recorded in the 2013 GRA.

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11 The variance of \$105K arose due to a discrepancy in the balance used for Mark-to-
12 Market of sinking fund in the Annual Return. The variance of \$125K on the
13 promissory notes occurred due to timing of filing the Annual Return and the PUB
14 Quarterly Report.