Q. Reference: Page 74, lines 2-5

"I would regard an equilibrium long Canada bond yield of about 5.00% as being reasonable. On this basis and without the need for an Operation Twist or credit market adjustment I would judge a benchmark fixed rate ROE to be approximately 8.25%."

Please clarify if the 8.25% fixed ROE is intended to represent Dr. Booth's recommended ROE at a 5.0% long-term Canada bond yield and a normal utility long-term debt credit spread. If no, please specify what the underlying assumptions are for the long-term Canada bond yield and the spread.

A. Yes, Dr. Booth would expect that at an average long Canada bond yield the credit spread would be average and the need for other non-average adjustments would disappear.