

PUB-Pre-Asks

Re: IFF 10

- a) Please provide the 20-year IFF 10 – Electric Operations (including Financial Ratios).**
- c) Please include the cash flow statement for the 20-year IFF 10 (Electric Operations).**

The 20 Year Financial Outlook projected financial statements for electric operations are attached.

ELECTRIC OPERATIONS (MH10)
PROJECTED OPERATING STATEMENT
(In Millions of Dollars)

For the year ended March 31

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES										
General Consumers	1,194	1,223	1,235	1,254	1,265	1,279	1,296	1,307	1,320	1,336
at approved rates										
additional *	-	42	87	135	186	239	295	354	416	482
Extraprovincial	444	461	499	510	529	611	621	646	654	804
Other	7	7	8	8	8	8	8	8	8	8
	<u>1,645</u>	<u>1,732</u>	<u>1,829</u>	<u>1,907</u>	<u>1,988</u>	<u>2,137</u>	<u>2,220</u>	<u>2,315</u>	<u>2,398</u>	<u>2,630</u>
EXPENSES										
Operating and Administrative	398	402	414	422	430	439	448	469	478	495
Finance Expense	393	411	473	455	521	544	540	565	635	702
Depreciation and Amortization	374	405	432	433	458	480	485	504	531	547
Water Rentals and Assessments	121	115	111	112	112	113	113	113	113	113
Fuel and Power Purchased	121	187	190	203	216	225	239	251	264	316
Capital and Other Taxes	81	82	86	92	98	106	113	122	131	140
Corporate Allocation	9	9	9	9	9	9	9	9	9	9
	<u>1,496</u>	<u>1,612</u>	<u>1,715</u>	<u>1,727</u>	<u>1,846</u>	<u>1,915</u>	<u>1,946</u>	<u>2,032</u>	<u>2,161</u>	<u>2,322</u>
Non-controlling Interest	-	4	6	4	0	(4)	(7)	(9)	(12)	(15)
)	
Net Income	<u>149</u>	<u>125</u>	<u>120</u>	<u>184</u>	<u>142</u>	<u>217</u>	<u>267</u>	<u>273</u>	<u>225</u>	<u>292</u>
*Additional General Consumers										
Revenue Increase		2.90%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Cumulative Percent Increase		2.90%	6.50%	10.23%	14.09%	18.08%	22.21%	26.49%	30.92%	35.50%
Financial Ratios										
Equity	26%	26%	24%	23%	21%	20%	20%	20%	19%	19%
Interest Coverage	1.28	1.22	1.19	1.28	1.19	1.27	1.29	1.28	1.21	1.24
Capital Coverage (excl Major Gen.)	1.54	1.53	1.57	1.29	1.32	1.63	1.72	1.75	1.69	1.86

ELECTRIC OPERATIONS (MH10)
PROJECTED OPERATING STATEMENT
(In Millions of Dollars)

For the year ended March 31

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
REVENUES										
General Consumers at approved rates	1,352	1,367	1,383	1,400	1,417	1,437	1,456	1,476	1,496	1,516
additional *	551	596	642	691	742	795	851	909	970	1,032
Extraprovincial	984	1,128	1,162	1,311	1,668	1,782	1,808	1,813	1,834	1,847
Other	8	9	9	9	9	9	9	9	10	10
	<u>2,895</u>	<u>3,100</u>	<u>3,196</u>	<u>3,410</u>	<u>3,836</u>	<u>4,023</u>	<u>4,125</u>	<u>4,208</u>	<u>4,310</u>	<u>4,405</u>
EXPENSES										
Operating and Administrative	511	521	531	552	563	575	587	598	609	621
Finance Expense	1,070	964	927	1,012	1,237	1,381	1,350	1,298	1,243	1,179
Depreciation and Amortization	613	625	630	658	728	789	806	810	821	831
Water Rentals and Assessments	121	127	128	135	147	151	153	153	153	154
Fuel and Power Purchased	310	343	358	357	339	337	341	351	370	388
Capital and Other Taxes	128	135	141	146	150	151	152	153	156	158
Corporate Allocation	9	9	9	9	10	10	9	9	9	9
	<u>2,762</u>	<u>2,723</u>	<u>2,726</u>	<u>2,869</u>	<u>3,174</u>	<u>3,394</u>	<u>3,398</u>	<u>3,373</u>	<u>3,361</u>	<u>3,340</u>
Non-controlling Interest	(24)	(26)	(28)	(29)	(30)	(33)	(36)	(39)	(42)	(45)
Net Income	<u>109</u>	<u>351</u>	<u>443</u>	<u>512</u>	<u>631</u>	<u>597</u>	<u>692</u>	<u>796</u>	<u>906</u>	<u>1,019</u>
*Additional General Consumers Revenue Percent Increase	3.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Cumulative Percent Increase	40.24%	43.05%	45.91%	48.83%	51.80%	54.84%	57.94%	61.09%	64.32%	67.60%
Financial Ratios										
Equity	18%	19%	20%	21%	23%	26%	28%	31%	34%	38%
Interest Coverage	1.08	1.26	1.32	1.36	1.44	1.42	1.50	1.59	1.68	1.79
Capital Coverage (excl Major Gen.)	1.73	2.16	2.15	2.20	2.29	2.42	2.56	2.79	2.84	2.88

ELECTRIC OPERATIONS (MH10)
PROJECTED BALANCE SHEET
(In Millions of Dollars)

For the year ended March 31

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
ASSETS										
Plant in Service	12,648	14,621	15,120	15,661	16,805	17,351	17,908	20,305	21,111	24,927
Accumulated Depreciation	(4,833)	(5,202)	(5,599)	(6,005)	(6,392)	(6,825)	(7,285)	(7,769)	(8,285)	(8,819)
Net Plant in Service	7,815	9,419	9,520	9,656	10,412	10,526	10,623	12,535	12,826	16,108
Construction in Progress	2,621	1,634	2,215	3,090	3,455	4,791	6,040	5,824	7,282	5,520
Current and Other Assets	1,889	1,999	1,791	1,515	1,654	1,864	2,056	2,312	2,082	2,331
Goodwill and Intangible Assets	156	140	127	114	107	98	92	105	112	119
Regulated Assets	232	241	249	251	247	235	219	202	187	172
	12,712	13,434	13,901	14,626	15,876	17,513	19,032	20,978	22,488	24,251
LIABILITIES AND EQUITY										
Long-Term Debt	8,507	8,927	8,949	10,279	11,294	12,969	13,841	15,187	17,073	14,673
Current and Other Liabilities	1,292	1,470	2,056	1,321	1,555	1,394	1,787	2,133	1,542	5,421
Contributions in Aid of Construction	291	291	286	282	278	276	274	272	270	269
Retained Earnings	2,354	2,479	2,595	2,779	2,922	3,139	3,406	3,679	3,904	4,196
Accumulated Other Comprehensive Income	266	266	14	(35)	(173)	(264)	(275)	(293)	(300)	(307)
	12,712	13,434	13,901	14,626	15,876	17,513	19,032	20,978	22,488	24,251

ELECTRIC OPERATIONS (MH10)
PROJECTED BALANCE SHEET
(In Millions of Dollars)

For the year ended March 31

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ASSETS										
Plant in Service	27,700	28,151	28,638	33,180	37,268	38,841	39,429	40,152	40,817	41,444
Accumulated Depreciation	(9,418)	(10,031)	(10,653)	(11,305)	(12,033)	(12,826)	(13,637)	(14,453)	(15,282)	(16,122)
Net Plant in Service	18,282	18,119	17,985	21,875	25,235	26,015	25,792	25,699	25,535	25,322
Construction in Progress	4,440	5,714	6,866	3,751	1,019	229	474	715	1,187	1,651
Current and Other Assets	2,371	2,299	2,173	2,531	2,750	3,115	3,793	4,449	4,991	5,515
Goodwill and Intangible Assets	117	115	114	112	110	109	108	106	105	104
Regulated Assets	157	144	135	126	117	109	105	100	99	96
	25,368	26,392	27,273	28,395	29,232	29,578	30,271	31,069	31,917	32,688
LIABILITIES AND EQUITY										
Long-Term Debt	19,150	20,385	20,986	21,587	21,338	21,539	21,539	21,480	21,230	21,131
Current and Other Liabilities	1,959	1,406	1,250	1,259	1,713	1,261	1,261	1,321	1,510	1,357
Contributions in Aid of Construction	268	267	267	267	267	267	268	270	273	277
Retained Earnings	4,306	4,656	5,099	5,611	6,243	6,839	7,531	8,327	9,233	10,253
Accumulated Other Comprehensive Income	(314)	(323)	(329)	(329)	(329)	(329)	(329)	(329)	(329)	(329)
	25,368	26,392	27,273	28,395	29,232	29,578	30,271	31,069	31,917	32,688

ELECTRIC OPERATIONS (MH10)
PROJECTED CASH FLOW STATEMENT
(In Millions of Dollars)

For the year ended March 31

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
OPERATING ACTIVITIES										
Cash Receipts from Customers	1,645	1,732	1,829	1,907	1,988	2,137	2,220	2,315	2,398	2,630
Cash Paid to Suppliers and Employees	(731)	(794)	(805)	(832)	(857)	(882)	(912)	(955)	(986)	(1,065)
Interest Paid	(400)	(431)	(485)	(489)	(528)	(565)	(573)	(610)	(681)	(731)
Interest Received	25	29	30	26	16	26	39	49	53	47
	540	536	569	613	618	716	773	799	784	881
FINANCING ACTIVITIES										
Proceeds from Long-Term Debt	970	600	730	1,390	1,155	1,800	1,400	2,200	2,200	1,800
Sinking Fund Withdrawals	651	25	128	463	-	8	-	-	444	167
Retirement of Long-Term Debt	(1,024)	(25)	(119)	(829)	(65)	(312)	(201)	(530)	(857)	(317)
Other	(228)	18	(12)	(7)	(1)	(3)	(2)	(1)	(12)	(3)
	369	618	727	1,017	1,089	1,494	1,197	1,669	1,776	1,647
INVESTING ACTIVITIES										
Property, Plant and Equipment, net of contribution	(1,134)	(1,046)	(1,105)	(1,431)	(1,569)	(1,907)	(1,813)	(2,197)	(2,276)	(2,179)
Sinking Fund Payment	(119)	(99)	(117)	(167)	(111)	(199)	(157)	(239)	(198)	(226)
Other	(21)	(16)	(17)	(16)	(17)	(36)	(46)	(28)	(27)	(27)
	(1,274)	(1,160)	(1,238)	(1,614)	(1,697)	(2,142)	(2,016)	(2,463)	(2,501)	(2,432)
Net Increase (Decrease) in Cash	(364)	(6)	58	16	10	68	(46)	5	58	96
Cash at Beginning of Year	170	(195)	(201)	(143)	(128)	(118)	(50)	(96)	(91)	(33)
Cash at End of Year	(195)	(201)	(143)	(128)	(118)	(50)	(96)	(91)	(33)	63

ELECTRIC OPERATIONS (MH10)
PROJECTED CASH FLOW STATEMENT
(In Millions of Dollars)

For the year ended March 31

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
OPERATING ACTIVITIES										
Cash Receipts from Customers	2,895	3,100	3,196	3,410	3,836	4,023	4,125	4,208	4,310	4,405
Cash Paid to Suppliers and Employees	(1,069)	(1,126)	(1,160)	(1,190)	(1,200)	(1,215)	(1,233)	(1,256)	(1,289)	(1,322)
Interest Paid	(1,109)	(1,007)	(949)	(1,028)	(1,269)	(1,424)	(1,394)	(1,355)	(1,313)	(1,252)
Interest Received	44	44	23	25	38	45	48	63	77	82
	<u>761</u>	<u>1,011</u>	<u>1,111</u>	<u>1,217</u>	<u>1,405</u>	<u>1,429</u>	<u>1,546</u>	<u>1,659</u>	<u>1,785</u>	<u>1,913</u>
FINANCING ACTIVITIES										
Proceeds from Long-Term Debt	1,390	1,400	600	590	200	190	-	(10)	-	(40)
Sinking Fund Withdrawals	278	722	167	-	-	339	-	-	60	250
Retirement of Long-Term Debt	(403)	(725)	(167)	-	-	(450)	-	-	(60)	(220)
Other	28	(12)	(8)	(8)	(9)	(10)	(11)	(12)	(12)	(13)
	<u>1,293</u>	<u>1,384</u>	<u>592</u>	<u>582</u>	<u>191</u>	<u>69</u>	<u>(11)</u>	<u>(22)</u>	<u>(12)</u>	<u>(23)</u>
INVESTING ACTIVITIES										
Property, Plant and Equipment, net of contribution	(1,767)	(1,707)	(1,623)	(1,407)	(1,332)	(756)	(807)	(936)	(1,109)	(1,059)
Sinking Fund Payment	(299)	(357)	(223)	(222)	(236)	(248)	(242)	(251)	(261)	(269)
Other	(33)	(38)	(29)	(32)	(30)	(30)	(33)	(31)	(32)	(32)
	<u>(2,099)</u>	<u>(2,103)</u>	<u>(1,874)</u>	<u>(1,661)</u>	<u>(1,598)</u>	<u>(1,035)</u>	<u>(1,081)</u>	<u>(1,218)</u>	<u>(1,402)</u>	<u>(1,360)</u>
Net Increase (Decrease) in Cash	(45)	292	(171)	138	(2)	463	454	419	371	530
Cash at Beginning of Year	<u>63</u>	<u>18</u>	<u>310</u>	<u>139</u>	<u>277</u>	<u>275</u>	<u>739</u>	<u>1,192</u>	<u>1,612</u>	<u>1,982</u>
Cash at End of Year	<u>18</u>	<u>310</u>	<u>139</u>	<u>277</u>	<u>275</u>	<u>739</u>	<u>1,192</u>	<u>1,612</u>	<u>1,982</u>	<u>2,512</u>

PUB-Pre-Asks

Re: IFF 10

- b) **Please provide the assumptions that support the 20-year IFF 10 (Electric Operations).**

The assumptions supporting the 20 Year Financial Outlook are outlined on pages 1 to 3 of the report.

PUB-Pre-Asks

Re: IFF 10

- d) Please provide the 20-year CEF 10 (indicate which of the revised capital costs for Bipole/Keeyask G.S./Conawapa G.S. are included in IFF 10).**

The Capital Expenditure Forecast for the 20 Year Financial Outlook is attached. Capital costs for Bipole, Keeyask and Conawapa are the same as those contained in IFF10. Assumptions for capital expenditures are also outlined on page 2 of the 20 Year Financial Outlook report.

CAPITAL EXPENDITURE FORECAST 20 YEAR OUTLOOK (2010/11 - 2029/30) - MARCH 2011

(in millions of dollars)

	Total Project Cost	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	20 Year Total	
ELECTRIC																							
Major New Generation & Transmission																							
Wuskwatim - Generation	1,274.6	300.8	130.3	16.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	447.2	
Wuskwatim - Transmission	291.2	35.7	21.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56.9	
Herblet Lake - The Pas 230 kV Transmission	74.9	22.2	6.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28.3	
Keeyask - Generation	5,636.9	71.2	152.5	179.2	312.3	379.5	683.0	749.1	1,080.5	816.6	640.1	164.4	43.2	-	-	-	-	-	-	-	-	5,271.5	
Conawapa - Generation	7,770.8	42.4	104.4	105.2	83.3	166.4	288.6	333.4	325.1	623.4	1,038.0	1,091.4	1,134.1	1,058.0	815.9	342.0	47.3	-	-	-	-	7,598.7	
Kelsey Improvements & Upgrades	301.7	42.7	34.7	28.5	12.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	118.6	
Kettle Improvements & Upgrades	165.7	17.5	18.7	21.6	22.2	15.4	7.3	7.5	7.6	7.7	7.9	8.1	8.3	7.5	-	-	-	-	-	-	-	157.4	
Pointe du Bois Spillway Replacement	398.2	18.6	24.4	92.7	103.6	89.2	31.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	360.5	
Pointe du Bois - Transmission	86.0	20.5	15.6	25.0	13.1	3.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77.3	
Pointe du Bois Powerhouse Rebuild	1,538.3	-	-	-	-	-	-	-	-	-	-	-	-	0.5	2.2	16.0	37.8	90.7	157.8	245.0	403.9	312.7	1,266.5
Bipole III - Licensing & Properties	123.5	9.1	18.9	9.6	9.3	9.8	11.1	5.9	11.2	0.2	-	-	-	-	-	-	-	-	-	-	-	85.1	
Bipole III - Transmission Line	958.4	2.8	5.4	38.2	87.9	181.9	313.1	133.0	192.2	-	-	-	-	-	-	-	-	-	-	-	-	954.6	
Keewatinooow Converter Station	466.3	6.3	11.8	60.5	78.3	56.0	81.1	43.5	8.2	118.8	-	-	-	-	-	-	-	-	-	-	-	464.6	
Keewatinooow AC Collector System	80.9	1.9	7.4	32.5	35.2	0.9	1.3	0.7	0.9	-	-	-	-	-	-	-	-	-	-	-	-	80.8	
Riel Converter Station	618.7	36.7	31.7	58.7	135.1	128.1	14.4	5.0	1.7	196.2	-	-	-	-	-	-	-	-	-	-	-	607.7	
Riel 230/500 kV Station	267.6	70.2	66.8	29.4	28.9	41.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	236.5	
Ontario 100 MW Firm Import Upgrades	4.8	-	0.6	2.2	1.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.8	
Dorsey - US Border New 500 kV Transmission Line	204.8	0.0	0.1	0.9	1.9	2.4	11.7	64.5	93.5	28.9	-	-	-	-	-	-	-	-	-	-	-	204.0	
St. Joseph Wind Transmission	6.5	5.5	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.6	
Demand Side Management	NA	36.9	38.0	39.1	38.6	36.2	29.5	25.0	23.0	21.9	20.4	19.7	19.5	19.4	19.2	15.2	15.5	15.8	16.1	16.5	16.8	482.2	
Waterways Management Program	NA	5.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.5	
Generating Station Improvements & Upgrades	NA	-	-	-	-	-	-	-	-	-	-	45.0	32.2	21.1	9.4	14.4	15.2	25.8	79.3	56.6	62.7	361.8	
Additional North South Transmission	312.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	312.8	-	-	-	-	-	312.8	
		746.6	688.6	739.7	964.3	1,110.2	1,472.7	1,368.0	1,743.9	1,813.8	1,706.4	1,328.6	1,237.8	1,108.0	860.5	722.2	168.7	199.4	340.5	476.9	392.2	19,188.9	

CAPITAL EXPENDITURE FORECAST 20 YEAR OUTLOOK (2010/11 - 2029/30) - MARCH 2011

(in millions of dollars)

	Total Project Cost	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	20 Year Total
Customer Care & Marketing																						
Advanced Metering Infrastructure	30.9	-	4.0	5.3	5.4	5.6	4.3	4.2	-	-	-	-	-	-	-	-	-	-	-	-	-	28.8
Customer Care & Marketing Domestic	NA	2.6	2.6	2.7	2.7	2.8	2.8	2.9	2.9	3.0	3.1	3.1	3.2	3.3	3.3	3.4	3.5	3.5	3.6	3.7	3.7	62.3
		2.6	6.6	8.0	8.1	8.4	7.2	7.1	2.9	3.0	3.1	3.1	3.2	3.3	3.3	3.4	3.5	3.5	3.6	3.7	3.7	91.2
Finance & Administration																						
Corporate Buildings Program	NA	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	160.0
Workforce Management	11.3	0.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8
Fleet Acquisitions	NA	13.5	13.8	14.1	14.3	14.6	14.9	15.2	15.5	15.8	16.2	16.5	16.8	17.1	17.5	17.8	18.2	18.6	18.9	19.3	19.7	328.4
Finance & Administration Domestic	NA	24.4	24.9	25.4	25.9	26.4	27.0	27.5	28.1	28.6	29.2	29.8	30.4	31.0	31.6	32.2	32.9	33.5	34.2	34.9	35.6	593.5
		46.7	46.7	47.5	48.3	49.1	49.9	50.7	51.6	52.5	53.3	54.3	55.2	56.1	57.1	58.1	59.1	60.1	61.1	62.2	63.3	1,082.7
Capital Increase Provision		-	-	-	-	(0.0)	31.1	87.9	133.7	155.4	177.2	46.8	-	-	-	-	-	-	-	-	-	632.0
ELECTRIC CAPITAL SUBTOTAL		1,179.3	1,139.6	1,178.2	1,424.5	1,562.7	1,903.0	1,808.2	2,193.5	2,272.1	2,174.9	1,762.1	1,698.9	1,615.1	1,401.3	1,325.0	749.0	797.5	928.8	1,099.8	1,048.5	29,262.0
GAS																						
Customer Service & Distribution																						
Ile Des Chenes NG Transmission Network Upgrade	1.2	0.8	0.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.2
Centerport NPS 16 Natural Gas Transmission Main	1.7	1.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.7
Gas SCADA Replacement	4.6	1.8	2.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.4
Customer Service & Distribution Domestic	NA	21.2	21.7	22.1	22.5	23.0	23.4	23.9	24.4	24.9	25.4	25.9	26.4	26.9	27.5	28.0	28.6	29.2	29.7	30.3	30.9	516.0
		25.6	24.6	22.1	22.5	23.0	23.4	23.9	24.4	24.9	25.4	25.9	26.4	26.9	27.5	28.0	28.6	29.2	29.7	30.3	30.9	523.3
Customer Care & Marketing																						
Advanced Metering Infrastructure	15.0	-	1.0	5.4	8.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.7
Demand Side Management	NA	11.2	12.0	12.4	10.4	10.4	10.0	9.4	7.2	5.6	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.0	4.9	4.9	4.8	143.9
Customer Care & Marketing Domestic	NA	2.8	2.9	2.9	3.0	3.0	3.1	3.2	3.2	3.3	3.4	3.5	3.6	3.6	3.7	3.8	3.9	3.9	4.0	4.1	4.1	68.2
		14.0	15.9	20.7	21.8	13.4	13.1	12.5	10.5	8.9	8.5	8.5	8.6	8.6	8.7	8.8	8.8	8.9	8.9	8.9	8.9	226.9
Capital Increase Provision		-	-	-	-	-	-	-	2.3	4.9	5.0	5.1	5.2	5.3	5.4	5.5	5.6	5.8	5.9	6.0	6.1	68.0
GAS CAPITAL SUBTOTAL		39.6	40.5	42.8	44.3	36.4	36.6	36.4	37.1	38.7	38.8	39.5	40.2	40.9	41.6	42.4	43.0	43.8	44.5	45.2	46.0	818.1
CONSOLIDATED CAPITAL TARGET ADJUSTMENT		1,218.9	1,180.1	1,220.9	1,468.8	1,599.1	1,939.6	1,844.7	2,230.6	2,310.7	2,213.7	1,801.6	1,739.1	1,656.0	1,443.0	1,367.3	792.0	841.2	973.3	1,145.1	1,094.5	30,080.1
		(97.0)	(111.0)	(88.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(296.0)
20 YEAR OUTLOOK TOTAL		1,121.9	1,069.1	1,132.9	1,468.8	1,599.1	1,939.6	1,844.7	2,230.6	2,310.7	2,213.7	1,801.6	1,739.1	1,656.0	1,443.0	1,367.3	792.0	841.2	973.3	1,145.1	1,094.5	29,784.1

PUB-Pre-Asks

Re: IFF 10

e) **Please provide a comparison of the interest rate (IFF 10 versus IFF 09-1).**

The interest rate assumptions are the same as those contained in IFF10. The table below outlines the interest rate assumptions (IFF09 is in brackets):

	MH CDN New Short Term Debt Rate *	MH CDN New Long Term Debt Rate *
2010/11	1.10% (1.40%)	4.20% (4.65%)
2011/12	2.10% (3.60%)	4.35% (5.20%)
2012/13	3.30% (4.30%)	5.25% (5.70%)
2013/14	3.85% (4.45%)	5.55% (6.10%)
2014/15	4.30% (4.45%)	5.90% (6.10%)
2015/16	4.65% (4.45%)	6.30% (6.10%)
2016/17 – 2029/30	4.65% (4.45%)	6.60% (6.10%)

*Excluding Provincial Guarantee Fee of 1.0%

PUB-Pre-Asks

Re: IFF 10

f) Please indicate the annual merchant sale/purchases included in IFF 10.

The merchant sales and purchase assumptions the same as those contained in IFF10 (merchant sales and purchases are not projected beyond the first two years of the forecast).

PUB-Pre-Asks

Re: IFF 10

g) Please indicate the EIIR component of domestic revenue for 20-year forecast.

The EIIR component of domestic revenue was provided in Exhibit # MH-57.

PUB-Pre-Asks

Re: IFF 10

- h) Please confirm that IFF 10 incorporates reduced revenues related to the elimination of the winter ratchet.**

Confirmed.