Q. In reference to CA221, the total company debt was forecast to increase 5.5% to $357,505,000 and in CA221 (1st Rev.) the company debt for 2002 is stated at $351,845,000 with a percent of increase of 3.8%. Please explain in detail this difference.

A. The difference in the Company's forecast and actual total debt as at December 31, 2002 is due to a lower than forecast need for short-term borrowings.

Exhibit BVP-1 (1st Revision), page 4 of 9, provides the Company's actual cash flow for 2002. A comparison of actual cash flow with forecast cash flow as of October 2002 indicates that lower working capital, partially offset by increased capital expenditures, contributed to lower short-term borrowing requirements as of December 31, 2002 in the amount of approximately $5.7 million.