

- Q. In Schedules 4A of Dr. Kalymon's 1998 testimony and the testimony filed in this proceeding, column 7 sets out the "Long Term Canada Bonds Yield" and the "10 Year Rates Long Term Canada Bonds Yield", respectively. For the years of 1981 through 1997, which are contained in both schedules, the indicated yields are as follows:

	1998 Hearing	2003 Hearing	Difference
1981	15.03	15.03	--
1982	14.36	14.36	--
1983	11.77	11.77	--
1984	12.74	12.74	--
1985	11.11	11.11	--
1986	9.54	9.54	--
1987	9.95	9.95	--
1988	10.23	10.17	(0.08)
1989	9.92	9.56	(0.36)
1990	10.81	10.34	(0.47)
1991	9.82	8.32	(1.50)
1992	8.77	7.86	(0.91)
1993	7.86	6.57	(1.29)
1994	8.60	9.07	0.47
1995	8.35	7.11	(1.24)
1996	7.54	6.37	(1.17)
1997	6.46	5.61	(0.85)

Please explain the differences noted.

- A. **The differences between the data series in question is caused by a change in the Bank of Canada's reporting in their monthly reviews. Prior to the June 1999 Bank of Canada Review Statistical Supplement, the rate that was recorded by the Bank of Canada was the "Canada Bonds over 10 Years." After the June 1999 report, "Canada Bonds over 10 Years" was replaced by the "Canada Benchmark 10 year bond." As a result, the data points between 1988-1997 found in the 1998 filing were changed to the revised 1988-1997 points (using the new "Canada Benchmark 10 Year Bond" rates), to make the number consistent with the revised series.**