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1 Q. Please reconcile Capital assets – current year (line 10 of Finance Evidence, Schedule  
2 1, page 5 of 11) with Net Capital Assets for 2012 in Return 3 of Hydro’s 2012 Annual  
3 Return filed pursuant to Section 59(2) of the *Public Utilities Act*.

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6 A. This difference between Capital assets – current year (line 10 of Finance Evidence,  
7 Schedule 1, page 5 of 11) with Net Capital Assets for 2012 in Return 3 of Hydro’s  
8 2012 Annual Return is due to a presentation change. The presentation change has  
9 no impact on the total ‘Capital Assets – Average’. In the 2012 Annual Return the  
10 Holyrood Fuel Oil Heat Tracing asset is removed from the Annual Return 3 from the  
11 total ‘Net Capital Assets’. In the Finance Evidence, Schedule 1, page 5 of 11  
12 Holyrood Fuel Oil Heat Tracing is removed as part of ‘Average Net Assets Not in  
13 Use’.