ONTARIO ENERGY BOARD STAFF INTERROGATORIES

INTERROGATORY 1:

Reference(s):

Please provide a table similar to the table below that breaks out the revenue requirement into its constituent parts.

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RESPONSE:

	2008 Board-Approved	**2009 per Original Filing (EB-2007-0680) (December 21, 2007 update)**	**2009 Adjustments (per Board Decision)**	**2009 as filed by Toronto (per DRO filed by THESL March 16, 2009)**	**Variance (2009 filing vs 2008 Board-approved)**
Capital Expenditures	230.1	301.5	(61.8)	240.0	9.9
Working Capital	257.5	261.7	(2.5)	259.2	1.7
Total Rate Base	1968.9	2131.9	(96.9)	2035	66.1
Cost of Capital	129.9	149.3	(19.5)	129.8	(0.1)
Controllable Expenses	177.5	195.8	(13.4)	182.4	4.9
Property & Capital Tax	7.6	7.8	0	7.8	0.2
Total OM&A Expenses	185.1	203.6	(13.4)	190.2	5.1
Depreciation and Amortization Expense	146.9	160.9	(6.5)	154.4	7.5
PILs	37.1	40.4	(9.7)	30.7	(6.4)
Service Revenue Requirement	498.9	554.2	(49.1)	505.0	6.1
Revenue Offsets	25.9	21.7	0	21.7	(4.2)
Base Distribution Revenue Requirement	473.0	532.5	(49.2)	483.3	10.3

Notes:

1) Values may not add due to rounding.
2) At page 38 of the Decision, the Board allowed $185 million for 2009 "controllable expenses". The Board refers to Appendix A of THESL's Argument in Chief, where at page A4 the corresponding figure of $195.8 million at line 2 is labelled Operating, Maintenance, and Administration. For greater clarity here, THESL refers to the $195.8 million figure as the "controllable expenses". To this

ONTARIO ENERGY BOARD STAFF INTERROGATORIES

amount, the $7.8 million for Property and Capital Tax shown at line 4 is added to get $203.6 million for total OM&A included in the December 21, 2007 Service Revenue Requirement update.

From the $185 million allowed "controllable expenses" for 2009, further amounts of $1 million for IESO fees (page 58) and $1.6 million for CDM-related operating expenditures (pages 59-60) were deducted to arrive at "controllable expenses" of $182.4 million. Adding the $7.8 million for Property and Capital Tax to this amount results in $190.2 million for total OM&A which is the amount included in Service Revenue Requirement in THESL's 2009 DRO.

The 2008 approved Service Revenue Requirement includes the associated Property and Capital Tax of $7.6 million and the 2009 DRO reflects the same treatment of Property and Capital Tax as part of OM&A.

ONTARIO ENERGY BOARD STAFF INTERROGATORIES

INTERROGATORY 2:

Reference(s): Schedule 2A

In its draft Rate Order evidence, Toronto Hydro has updated its long-term debt for 2009 from a weighted average cost of long-term debt of 5.50%, per Exhibit E1 / Tab 4 / Schedule 2 of its November 12, 2007 Application update, to 5.57%. The tables shown in Schedule 2A and reproduced below document the original and proposed debt costs.

2009 Debt Costs

As Updated Nov 12, 2007 (Exhibit E1, Tab 4, Schedule 2)

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	Description	Issue Date	Maturity	Principal ($)	Coupon Rate	Carrying Cost ($)
2	$980M City Note[1]	May 6, 2003	May 6, 2013	735,173,206	5.36%	39,405,284
3	$180M Debenture	May 6, 2003	May 6, 2013	180,000,000	6.16%	11,088,000
4	City Note Replacement	Dec 31, 2007	Dec 2017	245,057,739	5.20%	12,743,002
5	New Capex	Jan 1, 2009	Jan 2010	10,000,000	5.70%	570,000
6	New Capex	Sept 1, 2009	Jan 2010	65,000,000	5.71%	1,240,556
7	City Note Replacement	Dec 31, 2009	Dec 2039	245,057,739	6.56%	44,043
8	Financing Costs[2]					465,550
9	Avg of Monthly Debt Outstanding			1,192,578,328	5.50%	65,556,435

As per Cost of Capital Guidelines

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	Description	Issue Date	Maturity	Principal ($)	Coupon Rate	Carrying Cost ($)
2	$980M City Note[1]	May 6, 2003	May 6, 2013	735,173,206	5.36%	39,405,284
3	$180M Debenture	May 6, 2003	May 6, 2013	180,000,000	6.16%	11,088,000
4	1st tranche City Note Replacement	Dec 31, 2007	Dec 2017	245,057,739	5.20%	12,743,002
7	2nd tranche City Note Replacement[3]	Oct 1, 2009	Oct 2039	245,057,739	7.25%	4,475,090
8	Financing Costs[2]					411,486
9	Avg of Monthly Debt Outstanding			1,221,998,923	5.57%	68,122,862

Notes:
1. Coupon rate reflects amended City Note adjusted for Board's November 30/06 Report on Cost of Capital
2. Includes amortized issue costs
3. Coupon Rate reflects Conference Board of Canada forecast of long-term Govt Bonds of 3.70%, plus Corporate Spread of 3.5%, plus administrative cost of 5 basis points

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The changes are as follows:

- Elimination of new capex debt financing of $10,000,000 at 5.70% on January 1, 2009 with a maturity of 1 year (January 2010);
- Elimination of new capex debt financing of $65,000,000 at 5.71% on September 1, 2009 with a maturity of 4 months (January 2010); and
- Change to the 2nd tranche City Note replacement, with a principal of $245,057,739, from an issuance of December 31, 2009 for 30 years at 6.56%, to an issuance forecasted on October 1, 2009 for 30 years at 7.25%.

Note 3 of Schedule 2A states that the 7.25% forecasted Coupon Rate for the City Note Replacement "reflects Conference Board of Canada forecast of long-term Govt Bonds of 3.70%, plus Corporate Spread of 3.5%, plus administrative cost of 5 basis points."

a) Please confirm the correctness of the above observations regarding the changes to Toronto Hydro's long-term debt.
b) Please provide the exact source of the Conference Board of Canada forecast (Issue, date of publication) and the basis for the Corporate Spread estimated at 3.5%.
c) Please provide the tables shown in Schedule 2A in working Microsoft Excel format, showing all numbers and formulae.

RESPONSE:

a) The observations are correct.
b) The Conference Board forecast of long-term government bonds is as of December 23, 2008. The corporate spread figure is estimated based on the bond market current and forecast corporate spreads for 30-year debt issues.
c) The Excel format of Schedule 2A is attached.

2009 Debt Costs

As Updated Nov 12, 2007 (Exhibit E1, Tab 4, Schedule 2)

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	Description	Issue Date	Maturity	Principal ($)	Coupon Rate	Carrying Cost ($)
2	$980M City Note[1]	May 6, 2003	May 6, 2013	735,173,206	5.36%	39,405,284
3	$180M Debenture	May 6, 2003	May 6, 2013	180,000,000	6.16%	11,088,000
4	City Note Replacement	Dec 31, 2007	Dec 2017	245,057,739	5.20%	12,743,002
5	New Capex	Jan 1, 2009	Jan 2010	10,000,000	5.70%	570,000
6	New Capex	Sept 1, 2009	Jan 2010	65,000,000	5.71%	1,240,556
7	City Note Replacement	Dec 31, 2009	Dec 2039	245,057,739	6.56%	44,043
8	Financing Costs[2]					465,550
9	Avg of Monthly Debt Outstanding			1,192,578,328	5.50%	65,556,435

As per Cost of Capital Guidelines

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	Description	Issue Date	Maturity	Principal ($)	Coupon Rate	Carrying Cost ($)
2	$980M City Note[1]	May 6, 2003	May 6, 2013	735,173,206	5.36%	39,405,284
3	$180M Debenture	May 6, 2003	May 6, 2013	180,000,000	6.16%	11,088,000
4	1st tranche City Note Replacement	Dec 31, 2007	Dec 2017	245,057,739	5.20%	12,743,002
7	2nd tranche City Note Replacement[3]	Oct 1, 2009	Oct 2039	245,057,739	7.25%	4,475,090
8	Financing Costs[2]					411,486
9	Avg of Monthly Debt Outstanding			1,221,998,923	5.57%	68,122,862

Notes:
1. Coupon rate reflects amended City Note adjusted for Board's November 30/06 Report on Cost of Capital
2. Includes amortized issue costs
3. Coupon Rate reflects Conference Board of Canada forecast of long-term Govt Bonds of 3.70%, plus Corporate Spread of 3.5%, plus administrative cost of 5 basis points

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INTERROGATORY 3:

Reference(s): Schedule 2A

Please provide further explanation of the 2nd tranche City Note Replacement.

i) What debt of Toronto Hydro does this replace?

ii) Who is or will be the debt holder?

iii) Is the debt holder an affiliated company?

iv) This debt is not currently in place, but is forecasted to be issued for October 1, 2009. Please provide details of the current status of the negotiations for this debt.

v) Please indicate what efforts Toronto Hydro has made to secure the debt financing at a more competitive rate. If it has not done so, please indicate the reasons why.

RESPONSE:

i) The 2nd tranche City Note replacement is intended to provide for the 2nd scheduled repayment by THESL of the Amended and Restated Promissory Note held by THC (see Exhibit E1, Tab 7, Schedule 1-2). This note between THESL and THC mimics the Note between THC and the City of Toronto, which has the same terms and conditions. The first scheduled repayment occurred in 2007, and is reflected in the tables of Schedule 2A.

ii) THC anticipates that it will issue the debt publicly on behalf of THESL. The agreements between THC and THESL are described in Exhibit E1, Tab 1, Schedule 1, page 3, lines 5-9 (of the evidence filed August 2, 2007).

iii) See (ii) above.

iv) High level discussions with the dealer group that is expected to participate in this debt issue have begun. Detailed negotiations with the dealer group will begin closer to the time of anticipated public issue.

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v) Public debt is issued at market rates. As the time to issue new debt comes closer, THC and THESL management will closely examine indicative market credit spreads over equivalent Government of Canada bonds for various terms to maturity (i.e., 5-year, 10-year and 30-year terms) with a view to minimizing the overall cost of debt. (Other considerations in determining term of debt include maturities of existing debt (to avoid having large amounts of debt all maturing at or about the same time) and matching of debt term with asset life (a funding principle)). In addition to monitoring credit spreads, management also filed a Medium Term Notes ("MTN") shelf prospectus with the Ontario Securities Commission in December of 2008. An MTN shelf permits borrowers to access debt capital relatively quickly (and without the attendant administrative and registration requirements for debt not issued in this manner) and at lower overall costs. Lastly, management has been diligent in lowering other financing costs, by requesting quotes for various services required to issue new debt (e.g., French language translation costs for various documents, etc).

Note that for ratemaking purposes, THESL has followed the Cost of Capital guidelines for determining the debt rate for new debt, as described in Exhibit E1, Tab 1, Schedule 1, pp 3-4, lines 23-6. The forecasted market rate is lower than the deemed long-term debt rate for 2009 of 7.62%.

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INTERROGATORY 4:

Reference(s): Schedule 2A

The first City Note Replacement was issued on December 31, 2007 with a term of 10 years at 5.20%. However, Toronto Hydro forecasts issuing the 2nd tranche City Note Replacement for 30 years at a significantly higher rate, which appears to be influenced by current economic conditions.

i) Please indicate why Toronto Hydro forecasts that it needs to lock-in the 2nd Note for a long period at rates higher than has been seen for most of this decade.

ii) Please explain the benefit to Toronto Hydro's ratepayers for locking in significant debt at this rate for the 30-year term.

RESPONSE:

i) The forecast debt rate used by Toronto Hydro for its upcoming debt issue reflects Long Government of Canada bond yields plus a bond market-determined credit spread. While it is not Toronto Hydro's intention to lock in the 2nd Note at relatively high rates, the forecast debt rate is based on the market's current indication of the cost of issuing long-term debt. It is important to note that other considerations also play a role in determining the term structure of Toronto Hydro's debt. Considerations such as, the maturities of existing debt (with a view to avoid having large amounts of debt all maturing at or about the same time), matching the term of debt with asset life (a funding principle)), as well as lenders' appetite to buy short-dated issues versus long-dated issues, all factor into the issuance decision.

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ii) The benefit to ratepayers of locking in long-term debt at the indicated market rate is that rates in the future could be higher. Additionally, Toronto Hydro does not have a choice in deferring this debt issue. This is part of a scheduled repayment of the Amended and Restated Promissory Note held by THC (see Exhibit E1, Tab 7, Schedule 1-2).

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INTERROGATORY 5:

Reference(s): Sched 2A

Please provide the weighted average 2008 Board-approved cost of debt. In doing so, please also include a breakdown by individual security showing the same level of detail as shown in Schedule 2A.

RESPONSE:

The 2008 Board-approved cost of debt is shown in Exhibit E1, Tab 4, Schedule 2 (updated November 12, 2007). The table is reproduced below.

Table 1: 2008 Test Year

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	**Description**	**Issue Date**	**Maturity**	**Principal ($)**	**Coupon Rate**	**Carrying Cost ($)**
2	$980M City Note[1]	May 6, 2003	May 6, 2013	735,173,206	5.36%	39,405,284
3	$180M Debenture	May 6, 2003	May 6, 2013	180,000,000	6.16%	11,088,000
4	City Note Replacement	Dec 31, 2007	Dec 2037	245,057,739	5.20%	12,743,002
5	Financing Costs[2]					398,883
6	Avg of Monthly Debt Outstanding			**1,160,230,945**	5.48%	**63,635,169**

1. Coupon rate reflects amended City Note adjusted for Board's November 30/06 Report on Cost of Capital
2. Includes amortized issue costs

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INTERROGATORY 6:

Reference(s): **2009 Capital Expenditures and Resulting Net Fixed Assets / Sched. 1 / line 2**

Preamble: On page 2 of the DRO, Toronto states that the sum of reductions in 2009 capital expenditures is $61.8 million. The reduction in capital expenditures combined with the Board's adjustment to 2008 rate base results in average net fixed assets for 2009 of $1,775.7 million. The average net fixed assets for 2009 as filed was $1,870.2 million.

Please describe the Board's adjustments to 2008 rate base that has reduced the 2009 average net fixed assets by $32.7 million ($94.5 million - $61.8 million). In so doing, please provide the detailed calculations for the 2009 average net fixed assets balance.

RESPONSE:

The difference ($94.5 million) between the average net fixed assets for 2009 as-filed with the 2009 DRO of $1,775.7 million, and the December 21, 2007 update for 2009 in EB-2007-0680 of $1,870.2 million results from a combination of the Board's reductions to both the 2008 and 2009 capital expenditures.

The Board reduced 2008 capital expenditures by $64.3 million (see Note 1 below). These reductions will be fully effective on the opening balance in the 2009 net fixed assets account.

The sum of the Board's reductions to the 2009 capital expenditures in EB-2007-0680 was $61.8 million. This reduction results in a reduction to net fixed assets for 2009 of $60.5 million (slightly lower than the reduction in capital expenditures due to changes in

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accumulated depreciation and AFUDC which flow from the reductions in capital). This will have the effect of reducing average net fixed assets by $30.25 million (half-year rule). The total impact on net fixed assets from the 2008 and 2009 capital reductions is the sum of these two amounts ($64.3 + $30.25 = $94.5 rounded).

Note 1:

CAPEX Reductions		
Category	**2008 Amount**	**2009 Amount**
20% of requested sustaining capital expenditures (page 13 of Decision)	$23 million	$24.8 million
IT capital expenditures (page 18)	$4.7 million	$1.9 million
Smart meter removal from service revenue requirement (page 24)	$36.2 million	$34.6 million
CDM capital expenditures (pages 59-60)	$0.4 million	$0.5 million
TOTAL	**$64.3 million**	**$61.8 million**

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INTERROGATORY 7:

Reference(s): Schedule 3

Has the 2009 volume forecast shown on Sched. 3 received Board approval? If so, please provide the Board decision reference.

RESPONSE:

Yes. See Decision, May 15, 2008, page 33. For convenience, an extract is provided below:

> "The Board accepts the forecast advanced by the Applicant, as amended throughout the process. This provides for a very small increase in load in 2008 of 0.03% and a small decrease in 2009 of 0.06% over 2006."

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INTERROGATORY 8:

Reference(s): Manager's Summary, Appendix A, pg.4 / DRO, Schedule 3

Preamble: On page 4 of Appendix A, the 2009 forecast of kWh units in the residential rate class is 5,193,268,381 and the 2009 forecast of kWh units in the GS < 50kW rate class is 2,505,206,926. In schedule 3 of the DRO, the 2009 forecast of kWh units in the residential rate class is 5,387,207,864 and the 2009 forecast of kWh units in the GS < 50kW rate class is 2,545,941,998.

Please explain the reasoning for this difference in numbers.

If this is an error, please revise the 2009 forecast of kWh units for the Residential and GS < 50kW rate classes using the correct numbers.

RESPONSE:

The kWhs shown in the Manager's Summary Appendix A page 4 are adjusted to remove waterheater loads. Waterheater loads were not charged the SSM and LRAM rate riders initially upon implementation, and therefore should be excluded from the calculations of the rates for return of excess revenues.

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INTERROGATORY 9:

Reference(s): Assigned Revenue-to-Cost Ratios / Schedule 4

Preamble: For 2008 rates, the Board directed Toronto to set the revenue-to-cost ratio for the Unmetered Scattered Load rate class at 62.5% and at 40% for the Street Lighting rate class, and to reduce the revenue-to-cost ratios for the GS 50-999 kW and GS 1000-4999 kW proportionately. For 2009 rates, Toronto states that it has maintained the methodology used to move the revenue-to-cost ratios towards unity for the Unmetered Scattered Load and Street Lighting rate classes, with the offsetting reduction in the GS 50-999 kW and GS 1000-4999 kW rate classes.

Please confirm, and provide the supporting calculation details, for the revenue-to-cost ratio reduction in the GS 50-999 kW and GS 1000-4999 kW rate classes. Please show how it is proportional to the increase in revenue-to-cost ratios in the Unmetered Scattered Load and Street Lighting rate classes for 2009.

RESPONSE:

The following table shows the revenue recovery and revenue-to-cost ratio for each class before adjustments are made to the Street Lighting, Unmetered Scattered Load, GS 50-999 kW and GS 1000-4999 kW classes, and after adjustments.

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Revenue Requirement without Transformer Allowance	**$483,051,870**	(a)
Transformer Allowance Credit	**$12,113,709**	(b)
Revenue Offsets	**$21,712,002**	(c)
Service Revenue Requirement with Transformer Allowance	**$516,877,581**	(a)+(b)+(c)

Rate Classes	**Revenue Requirement by Rate Class (based on Cost Allocation Model)**	**Revenue Recovery by Rate Class before Adjustments**	**Un-Adjusted Cost to Revenue Ratio**	**Adjustments**	**Revenue Recovery by Rate Class after Adjustments**	**Adjusted Cost to Revenue Ratio**
Residential	$249,269,389	$214,859,537	86.2%		$214,859,537	86.2%
GS < 50 kW	$71,846,991	$72,219,150	100.5%		$72,219,150	100.5%
GS 50-999 kW	$111,484,777	$140,237,235	125.8%	-$543,733	$139,693,502	125.3%
GS 1000-4999 kW	$42,931,086	$56,120,685	130.7%	-$218,422	$55,902,263	130.2%
Large Use	$21,406,665	$23,241,970	108.6%		$23,241,970	108.6%
Street Lighting	$16,281,945	$7,702,326	47.3%	$671,378	$8,373,704	51.4%
Unmetered Scattered Loads	$3,656,729	$2,496,680	68.3%	$90,777	$2,587,457	70.8%
TOTAL	$516,877,582	$516,877,582			$516,877,582	

The total of $762,155 ($671,378 + $90,777) which is added to the revenue responsibility of the Streetlighting and Unmetered Scattered Load classes is allocated to each of the GS 50-999 kW and GS 1000-4999 kW rate classes proportional to the revenue to be recovered from each class before the adjustment (e.g., GS 50-999 kW class revenue recovery is $140.2M of the $196.3M total for both classes, or 71%) to reduce their revenue responsibility, and hence revenue-to-cost ratios. This allocation conforms to THESL's treatment in the development of 2008 rates as approved by the Board.

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INTERROGATORY 10:

Reference(s): Smart Meter Application, page 2 of 17

Please provide both the document reference and the wording from the Board's accounting order or directive that describes the methodology to be used for recording amounts in the Smart Meter deferral account.

RESPONSE:

Articles 1555 and 1556 of the Accounting Procedures Handbook set out the "methodology to be used for recording amounts in the Smart Meter deferral account", which THESL complies with.

However, the recording of amounts in the deferral accounts is separate and distinct from the methodology approved by the Board for the clearance of those amounts. That methodology is set out in the Board's Decision and Order in EB-2008-0138 (December 11, 2008) concerning THESL's motion for review of various aspects of the Board's EB-2007-0680 Decision. For convenience an extract of the EB-2008-0138 Decision appears below:

> "Toronto Hydro argues that the 2007 smart meter expenses should not be cleared to the 2008 base revenue requirement, but rather that these expenses should be accounted for outside of a cost of service rate setting process in a manner consistent with the Board's finding in the combined smart meter proceeding (EB-2007-0063 "the Combined Proceeding"). Toronto Hydro described the procedure established in the Combined Proceeding as follows:
>
> "Under that methodology applied to the 2007 expenditures, a revenue requirement corresponding to the actual 2007 smart meter activity was to be calculated, after the fact, consisting of operating expenses together with the capital-related costs of depreciation, return on the annual average 2007

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> smart meter incremental ratebase, and PILs on that return. That revenue requirement was then to be offset by the total revenue obtained through the 2007 Smart Meter Rate Rider, effective from May 1, 2007 to April 30, 2008. The net balance, debit or credit, was then to be cleared to ratepayers through the implementation of a limited-period rate rider."

The detailed methodology for determining the revenue requirement is set out in the pre-filed evidence.

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INTERROGATORY 11:

Reference(s): Expired Revenue Application, page 4 of 11, Table 1

What was the rate of interest used to calculate the carrying costs of the excess revenue collected?

RESPONSE:

1) LRAM (Lost Revenue Adjustment Mechanism), SSM (Shared Savings Mechanism) and Smart Meters, six-month rate riders – excess revenues for disposition – carrying charges:

   The rate of interest used to calculate carrying charges is the Board quarterly prescribed rates for deferral and variance accounts for the period May 1, 2008 to December 31, 2008 applied to the respective monthly opening balances in the respective accounts. For the period January 1, 2009 through April 30, 2009, the rate is a forecast, and is held at the 2008 Q4 prescribed rate. The table below shows the rates.

Period	**Annual Rate of Interest**
May-Jun 2008	4.08%
Jul-Sep 2008	3.35%
Oct-Dec 2008	3.35%
Jan-Apr 2009	3.35%

2) RARA (Regulatory Asset Recovery Account) Rate Rider, excess revenues for disposition – carrying charges:

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As state in the Application on Page 9 of 11, for the RARA Rate Rider, excess revenues for disposition, THESL proposed to treat the excess RARA amounts to be returned to customers, as the difference between the total amount recovered to July 31, 2008 and the approved amount, (rather than as a pre-May 1, 2008 amount and a separate 'excess' amount after April 30, 2008.

In order to determine excess RARA amount to be refunded to customers, THESL has calculated carrying charges using simple interest applied to the monthly opening debit or credit balance in the account (exclusive of accumulated interest), for the period April 1, 2005 to April 30, 2009, at rates prescribed by the Board as follows:

Period	Annual Rate of Interest
April 1, 2005 to April 30, 2006	6.08%
May-June 2006	4.14%
Jul-Sep 2006	4.59%
Oct-Dec 2006	4.59%
Jan-Mar 2007	4.59%
Apr-June 2007	4.59%
Jul-Sep 2007	4.59%
Oct-Dec 2007	5.14%
Jan-Mar 2008	5.14%
Apr-Jun 2008	4.08%
Jul-Sep 2008	3.35%
Oct-Dec 2008	3.35%
Jan-Apr 2009	3.35%

For the period up to April 30, 2006, THESL used a rate of interest equal to the deemed debt rate set out in Chapter 3 of the 2000 Electricity Distribution Rate

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Handbook, Table 3-1. Effective May 1, 2006, the rates of interest were the Board quarterly prescribed rates for deferral and variance accounts. For the period January 1, 2009 through Apr 30, 2009, the rate is a forecast, and is held at the 2008 Q4 prescribed rate.