S&P Capital IQ

CONTENTS

Emera Incorporated TSX:EMA

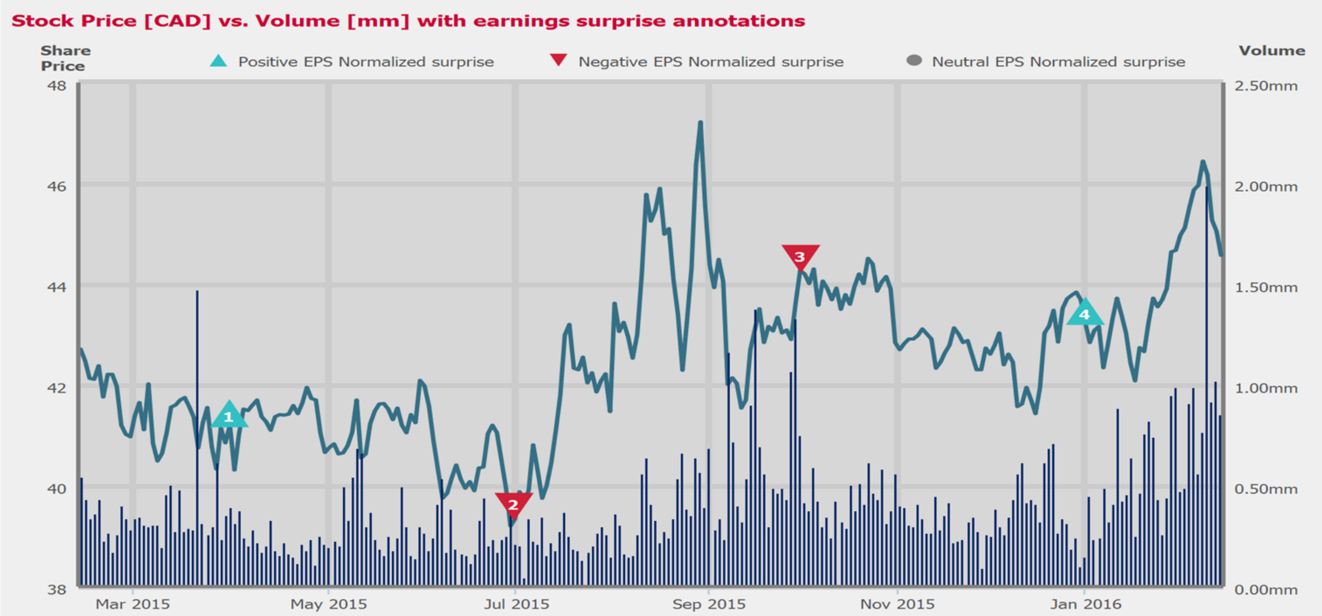
FQ1 2016 Earnings Call Transcripts

Tuesday, May 10, 2016 2:00 PM GMT

S&P Capital IQ Estimates

	-FQ1 2016-			-FQ2 2016-	-FY 2016-	-FY 2017-
	CONSENSUS	ACTUAL	SURPRISE	CONSENSUS	CONSENSUS	CONSENSUS
EPS Normalized	0.88	0.93	▲5.68	0.36	2.46	2.77
Revenue (mm)	879.67	877.00	▼(0.30 %)	597.99	4640.41	7160.83

Currency: CAD
Consensus as of May-10-2016 11:12 AM GMT



- EPS NORMALIZED -	CONSENSUS	ACTUAL	SURPRISE
FQ1 2015	0.78	1.18	▲51.28 %
FQ2 2015	0.34	0.33	▼(2.94 %)
FQ3 2015	0.35	0.16	▼(54.29 %)
FQ4 2015	0.59	0.80	▲35.59 %

Call Participants

EXECUTIVES

Alan Richardson

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Gregory W. Blunden
Chief Financial Officer

Scott LaFleur
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Presentation

Operator

Good morning, ladies and gentlemen, and welcome to Emera First Quarter 2016 Conference Call and Webcast. [Operator Instructions] Please note that this call is being recorded today, Tuesday, May 10, 2016, at 11:00 Atlantic Time.

I would now like to turn the meeting over to your host for today's call, Scott LaFleur, Manager, Investor Relations for Emera. Please go ahead, Mr. LaFleur.

Scott LaFleur
Manager of Investor Relations

Good morning, everyone, and thank you for joining us for our first quarter conference call this morning. Joining me from Emera are Chris Huskilson, President and Chief Executive Officer; Greg Blunden, Chief Financial Officer; and other members of the management team.

Emera's first quarter earnings release was distributed earlier via newswire and the financial statements and management's discussion and analysis are available on our website at emera.com. This morning, Chris will begin with a corporate update and Greg will provide an overview of the financial results. We expect the presentation segment to last about 15 minutes, after which we'll be happy to take questions from analysts.

I will take a moment to advise you that this conference call will contain forward-looking information and statements with respect to Emera. Forward-looking statements involve significant risks, uncertainties and assumptions. Certain material factors or assumptions have been applied and drawn to conclusions contained in the forward-looking statements. Generally, these factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations.

Such risk factors or assumptions include, but are not limited to, regulation, energy prices, general economic conditions, weather, derivatives and hedging, capital resources, loss of service area, licenses and permits, environment, insurance, labor relations, human resources and liquidity risk. A number of factors could cause actual results, performance or achievement to differ materially from the results discussed or implied in the forward-looking statement. In addition, please note that this conference call is being widely circulated via live webcast.

And now I will turn things over to Chris.

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Thank you, Scott, and good morning, everyone. Emera delivered adjusted net income of $120.2 million or $0.81 per share in Q1 of 2016 compared to $171.6 million or $1.18 per share in Q1 of 2015. Adjusting net income to exclude costs related to the TECO Energy acquisition, resulted in $137.7 million or $0.93 per share. The variance from last year is primarily related to the warmer winter in the Northeast, which resulted in lower electricity sales at Nova Scotia Power and Emera Maine, as well as lower market prices at Emera Energy's New England gas plant. Emera's operations have continued to perform well as we've implemented our growth strategy. And our earnings and cash flow are on track to support our 8% annual dividend growth target through 2019. Greg will take you through the details of the quarterly results later in his remarks. But first, I want to touch on some key strategic highlights and milestones Emera reached in Q1 of 2016.

We continue to move through major milestones regarding the TECO Energy acquisition. In February, the Hart-Scott-Rodino waiting period expired. And in March, the committee on foreign investment in the United States completed its review of the transaction. The only regulatory approval requirement now remaining is in New Mexico, where we continue to work through the important steps of the public regulation commission's regulatory process, otherwise known as the PRC.

As we announced last month, Emera along with TECO Energy, New Mexico Gas and intervenors in the case filed an unopposed and uncontested settlement with the PRC. The settlement agreement is focused on growing the New Mexico economy and its prospects for New Mexico Gas' success in that economy. It provides benefits to customers and communities across the state. Included in the settlement agreement are commitments from Emera to honor the stipulations made by TECO in the 2014 acquisition of New Mexico Gas, invest in the expansion of New Mexico's natural gas infrastructure system to underserved communities, expand a natural gas pipeline to the Mexican border, and provide resources to support certain economic growth projects and programs across the state. On May 2, the New Mexico PRC's hearing examiner conducted the hearing for the transaction, which included testimony on the settlement agreement from myself and others from Emera, New Mexico Gas and the staff of the PRC. I believe the hearing went well, and we look forward to the hearing examiner's report and the ultimate decision from the New Mexico PRC.

I continue to be excited about the TECO Energy acquisition and the future growth potential it represents. Our integration plans are progressing well. And as we move toward closing, which we still expect to take place in mid-2016, we continue to see 5% accretion in 2017 and growing to greater than 10% in 2019. We look forward to welcoming 3,700 dedicated new employees and serving 1.6 million new customers in Florida and New Mexico.

On the Maritime Link Project, construction continues on all major elements. The first of the horizontal directional drill boreholes have been completed at Cape Ray, and we expect to have the second borehole completed by late May. Manufacturing of the first of 2 submarine cables is underway in Japan, and the second cable is scheduled to be manufactured starting late Q2 in Norway. All other aspects of the project are under construction and progressing. We continue to have confidence that the project will be completed on budget and on schedule for completion in late 2017.

At Emera Energy, we managed a strong first quarter from our marketing and trading business, increasing its U.S. margin slightly over 2015, despite the low absolute price and volatility of natural gas so far this year. This result reflected long-term hedges that were put in place in periods of stronger market conditions and increased volumes. Overall, market conditions in 2016 are materially softer than in the past few years. Emera Energy continues to build its business while maintaining its low risk profile and has become a supplier of choice to several large LDCs as well as generators throughout New England.

The New England generation assets also performed well in a challenging market in Q1. Our portfolio realized a spark spread of USD 27 per megawatt hour, reflecting above market hedges previously entered. This was significantly higher than overall market spark spreads, which averaged less than $10 per megawatt hour for much of the quarter.

Looking to the summer, we've hedged approximately 25% of output from April to October, increasing to 40% from June to August, with spark spreads in the low to mid-teens, which is well above the 5-year historical pricing average for most months.

Winter of 2015, 2016 spark spreads have returned to normal at sub-$15 per megawatt hour, well below the $51 and $35 per megawatt hour spark spread we've enjoyed at Bridgeport in 2015 and 2016. It's not surprising on the heels of the warm winter just experienced. To date, we have hedged less than 10% of our November, December output at these levels.

In January, Emera Maine and Central Maine Power submitted a bid to the Clean Energy Request for Proposals, the tri-state RFP, being conducted by utilities and state agencies in Connecticut, Massachusetts and Rhode Island. We are awaiting initial project selection and expect to hear some time before the end of July. We believe that the MREI is the most cost-effective and technically straightforward option for meeting both the 2020 delivery time frame and the energy requirements requested in the RFP. As a follow on, we believe legislation to enable clean energy imports is likely in the session of the Massachusetts legislature, although the precise amounts and allocation of different types of generation is still the subject of debate. We look forward to the opportunity to participate.

At Nova Scotia Power, we exceeded our 2015 renewable energy target and are confident that we will meet or exceed our 2020 target of 40%. We've been working hard to stabilize rates, while completing the most ambitious transition to Renewable Energy in Canada. Our commitment remains to provide stable and predictable rates for our customers that is occurring through our 3-year rate stabilization submission that is currently before the Utility and Review Board. We're also looking forward to getting the Maritime Link in service and becoming part of the energy loop that the Lower Churchill Project will create, and ultimately, including Muskrat Falls hydro in the Nova Scotia energy mix.

Moving to the Caribbean. We completed our transaction to acquire all remaining outstanding shares of Emera (Caribbean) Incorporated. This transaction streamlines the ownership structure of our assets in the Caribbean and facilitates our continued commitment to the region. Our strategy is to move away from primarily oil-based generation to more renewable, clean energy sources with a focus on affordability and rate stability.

In conclusion, 2016 remains an important and exciting year for Emera as the company continues to progress and transform.

And with that, I'll turn things over to Greg who'll provide you with an overview of the financial results. Greg?

Gregory W. Blunden
Chief Financial Officer

Thank you, Chris, and good morning, everyone. You'll notice that this quarter's results are affected by a number of factors, including the TECO Energy acquisition, which will continue throughout 2016. The acquisition cost and the timing of the close will both have an effect on our ongoing financial results. We will continue to provide clarity on these changes to help you better understand Emera's underlying business.

Our earnings remain on track with expectations, and Emera's business performed as expected in the first quarter. Our consolidated net income in Q1 2016 was $44.3 million or $0.30 per share. When current year's results are normalized for the $75.9 million of mark-to-market losses, first quarter 2016 net income was $120.2 million or $0.81 per share. When normalized for mark-to-market impact, adjusted net income in the prior year was $171.6 million or $1.18 per share. In Q1 2016, Emera incurred TECO acquisition and financing costs of $17.5 million or $0.12 per share. Adjusted EPS, removing the TECO acquisition cost, was $0.93 per share. The decrease quarter-over-quarter was primarily due to several factors, including the lower expected contribution from the New England generating facilities, the effects of warmer weather at Nova Scotia Power and Emera Maine, the TECO Energy acquisition-related costs, and the gain on the sale of Northeast Wind Partnership in Q1 of 2015.

I'll begin our segment results with Nova Scotia Power, which provided net income of $52.5 million in Q1 2016 compared to $68 million in Q1 of 2015. The decrease was primarily related to lower electricity sales due to the warmer weather and increased ONG costs due to the storm impact.

Emera Maine contributed $9.3 million to consolidate net income in Q1 2016 compared to $11.5 million for the same period last year. The decrease was primarily related to reduced sales caused by weather, reduced industrial load, increased storm costs and the timing capital expenditures. The decrease was partially offset by increased rates and the effect of a stronger U.S. dollar.

Emera Caribbean's net income increased 11% to $9.8 million in the first quarter of 2016, primarily due to the impact of the stronger U.S. dollar. And our pipeline segment contributed adjusted net income of $9.7 million in the quarter, consistent with last year.

Emera Energy's adjusted net income decreased $28.5 million to $47.9 million in Q1 2016 compared to the same period of last year. This expected decrease was primarily due to reduced contributions from the New England gas generating facilities, mainly due to lower hedge and market power prices in 2016 and the gain of the sale of Northeast Wind Partnership in Q1 of 2015. Decrease was partially offset by the stronger U.S. dollar and increased marketing and trading margin.

Our Corporate & Other segment posted a $9 million adjusted net loss in Q1 2016 compared to a loss of $3 million in Q1 2015. The variance primarily due to a $17.5 million in acquisition costs for TECO Energy, partially offset by higher equity earnings.

I'll now move on to an update on the financing of the TECO acquisition. As Chris mentioned earlier, we are moving through the government and regulatory approvals with the final remaining regulatory approval required from the State of New Mexico. We are gaining confidence on the timing of the acquisition close in mid-2016 and the different components of the financing plan remain the same. This includes common equity and available resources of cash of between USD 1.7 billion to USD 2.1 billion, which our CAD 2.185 billion convertible debenture is expected to fulfill. We also have USD 0.8 billion to USD 1.2 billion in preferred equity or hybrid securities and between USD 3.4 billion and USD 3.8 billion in debt that we expect to issue around the time of closing. Our financing plan is progressing as planned, and we look forward to working through the important remaining steps to close the TECO Energy acquisition.
That's all for my update, and now we are happy to take any questions that you may have.

Question and Answer

Operator

[Operator Instructions] And your first question comes from the line of Linda Ezergailis from TD Securities.

Linda Ezergailis
TD Securities Equity Research

I have a question about your relationship with Nalcor and Muskrat Falls. I'm just wondering, we've read a lot in the media kind of what your recent dialogue has been with them. If it's changed at all? And to the extent that there might be an opportunity to invest more in the expanded scope of the project, whether it'd be wires or generation, what factors would need to be in place for Emera to consider that or other scenarios ?

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Thank you, Linda. So first of all, I would say that we've had a very positive working relationship with our partner, Nalcor, and also with all the governments involved: Newfoundland, Nova Scotia and the Federal government. Those relationships have been going on now since 2010. And so that's gone very well, nothing has really changed. We're at the same place, I would say, that we were originally, and we're continuing to proceed. Obviously, Nalcor now has a new CEO and we're looking forward to working with Mr. Marshall, and we think that the relationship will continue. And fundamentally, we have to look at it through the Maritime Link. And it's on time and on budget right now, and we're looking forward to that being in service in late '17. Beyond that -- I think that's really where we are.

Linda Ezergailis
TD Securities Equity Research

Okay. And I'm wondering if you can also comment on some of the other financing needs you might have outside of TECO, to what extent might divestitures of less core investments be a part of how you're looking at the next couple of years?

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Yes. I think, always internal cash generation is an important part of our funding and financing our business. And so as you look at the business going forward, the internal cash generation is getting stronger all the time. So that's a very good thing. And secondly, I think we've already told the market that we'll be issuing somewhere between 0 and $300 million of equity later this year. That's certainly where we've been all along, and that whole combination is where we are.

Operator

And your next question comes from the line of Ben Pham of BMO.

Benjamin Pham
BMO Capital Markets Equity Research

I'm just wondering, can you give us an update on your protection with respect to Lower Churchill, with the capital costs rising or maybe even increasing sort of in the future and how maybe the timing changes could impact you and your Maritime Link Project?

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Yes, I mean, I think, first of all, one of the principles that we move forward with, relative to that project was that -- is that the risk would be around the ability to control. And so we're not constructing either the generation facility or the transmission on -- in Labrador or in Newfoundland. And so we haven't taken any risk relative to those projects at all. We have taken risks though relative to the Maritime Link Project, because that is the project that we are controlling and in fact we're building. And as we sit today, I think, we've been clear that our contingency we've been able to increase the value of our contingency from about 10% to 13% as we've gone through and contracted and are building the project. And so we still feel very good about where we are on that cost structure. And we're projecting that, that project comes in on time and on budget. And that's really the only exposure we have from a cost perspective. As it relates to the timing of the generation, Nalcor hasn't been clear about what they believe the timing is at this point. I think what we currently know is it's somewhat delayed. And so we're planning around that. And if you look at what's been filed in the Nova Scotia Rate Stability Plan, you'll see that it does show a slight delay in the generation coming available. And I think that there are sensitivities being done around that -- within that process. But beyond that, we're looking forward to getting the Maritime Link in service and getting the rest of the transmission in, because that will give us access to the energy loop which will, I think, be helpful to the entire Atlantic region.

Benjamin Pham
BMO Capital Markets Equity Research

Okay. And I was also wondering on Maritime Link. There was some commentary late last year, your dinner about your Abengoa exposure. I just wanted to check in on that if anything has changed there, and is that still your contractor? Was there any change in who you put in, and maybe just a quick update on that.

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Yes. I think, there really hasn't been change in the status. Abengoa is -- continues to be under creditor protection. They've been in that state since the latter part of last year. We continue to work with them and our contract continues to be in force. And there are lots of contractual protections in there for us and for our customers relative to working with a contractor that is under creditor protection. And we're working our way through it. So we're comfortable with where we are right now. Really that project is broken into 5 different components, 3 of which are subcontracted and those -- and the subcontractor is the PowerTel who has been building projects across the country for some time. And so the overall project is split up that way.

Operator

And your next question comes from the line of Andrew Kuske of Crédit Suisse.

Andrew M. Kuske
Crédit Suisse AG, Research Division

This might be a question for Greg as it relates to NSPI. And just when you look through the numbers, to what degree were the volumes -- the falloff in volumes really weather-related and could you weather-normalize it and then comparing that versus, say, actual fundamental demand destruction in the C&I group?

Gregory W. Blunden
Chief Financial Officer

No. Andrew, a great question. It's virtually all weather-related in the quarter. If you think of last year, I think we all recognized that Q1 last year was extremely cold and we saw our load reflect that -- which is just opposite phenomenon in Q1 of this year. So we haven't seen any demand destruction at all, in fact, with the weaker Canadian dollar and stability of prices it seems to have firmed up quite nicely. And so I think you can pretty much attribute all of it to the weather -- the unusual weather.

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Yes. And Andrew, certainly, Nova Scotia Power has filed a future forecast through the 3-year period '17 through '19. And right now, they're showing modest growth in their requirements through that period.

Andrew M. Kuske
Crédit Suisse AG, Research Division

Okay, that's very helpful. And if I may just ask a bit of a broader question. When you look at, really, the New England power market in just a broad sense and you think about your pipeline assets, your utility assets and your power assets, and effectively the Emera Energy group around all of that, do you feel you've got a better view on just intelligence as it relates to maybe prospective power plant opportunities for capital investment, acquisition, when you just think about the businesses you've got in the region at this stage?

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Yes. Well, I mean, Andrew, there's no question that we've built a very nice portfolio in that marketplace, and that's allowed us to continue to serve customers in that market, I think, in a productive way. And so we continue to look forward and for opportunities to grow in that market. But we're also, now, continuing to start to look at other markets. And as you understand with the closing of the transaction with TECO, we're also going to be doing business in New Mexico and in Florida. And we really are quite excited about entering those markets. We think that there are growth opportunities in, certainly, in both of those states. We think those companies are well positioned to be able to grow in those markets. And so you will see somewhat more of our effort looking in the southern part in the short term. But we still will continue to operate in New England and to be very much mindful of the opportunities as they emerge.

Andrew M. Kuske
Crédit Suisse AG, Research Division

And then, if I may, just to follow-up on that point. So you're very close to closing off TECO in the totality of the project. You're getting closer on the Nalcor-related transmission lines. And so when you look at your balance sheet and let's just say, 2018, how do you think about your business mix at that point in time of regulated versus unregulated activities? What would be the proportionality you're really targeting at that point?

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Yes. Well, we're now continuing to target in the 75% to 85% regulated. And if you look at what's in front of the business, we've got about $6 billion over the next 4 years in front of the combined business. And so, of course, we're very respectful of the process that's going on in New Mexico right now. We're working with the New Mexico PRC and working towards their decision. And so that's obviously the first step in the thing we have to focus on right now. But when we look at that combined company, there is a nice growth profile that exists in the combined company and lots of projects that are already there in front of us. And so, as I said, we're quite excited about that. Our strategy continues to be all about taking higher carbon resources and moving them to lower carbon resources. That has worked well for us in the Northeast, specifically in Nova Scotia and around Atlantic Canada. And I believe, that there'll be lots of opportunity in that area, whether we're talking about gas LDCs in New Mexico or Florida, or whether we're talking about Tampa Electric itself, and it's opportunity to continue to reduce carbon intensity, which is something its customers want to happen.

Operator

And your next question comes from the line of Paul Lechem of CIBC.

Paul Lechem
CIBC World Markets Inc., Research Division

Chris, just maybe following on from the commentary you made around looking for follow-on investments in the New England area. I was just wondering given TransCanada out there looking to sell its Northeast Power assets, are any of those of interest to Emera at this point?

Christopher G. H. Huskilson

Chief Executive Officer, President and Non-Independent Director

Paul, as you know, we're always looking at opportunities and it really depends on value. From our perspective, we need to be focused on value, and also focused on the mix that we have in our business. And so all of these things get guided by our ability to manage the business, to raise capital and to keep our business at that 75% to 85% regulated. So those are really the parameters we look at. And again, we're always looking to find opportunities to create value for shareholders.

Paul Lechem
CIBC World Markets Inc., Research Division

Okay. On -- just going back to the Lower Churchill Project again, given the delays that we're seeing on Nalcor's side building up the generation part of the business, does that impact your ability to bid in any of these renewable power RFPs, especially the potential or upcoming one from Massachusetts given the uncertainty of timing of the hydro clean power, is that -- I mean, that would, I presume, be part of the mix in terms of what you bid in. So does that impact your ability to bid into these RFPs?

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

So well, I mean, again, I don't think the timing is completely clear right now. I think that's something that Nalcor will update when they're ready to do that, and so obviously we look forward to that update. But as it relates to those projects and the opportunity to supply energy, we've always looked at that, at this phase anyway, as being surplus energy that exists in the market and surplus as it exists from projects as they come on, and also clean energy like wind. And so those are the projects that we think will be important to that. And so the project we've proposed, which is the Atlantic Link, gives us the ability to collect energy from Northern Maine, from New Brunswick, and that region and also from Labrador and Newfoundland. And so the flexibility that project has to gather energy from all of those different locations, we believe allows it to be probably the most flexible project that the region will see. And so with that flexibility, it does allow us to incorporate timings and new resources as they come available.

Operator

[Operator Instructions] Your next question comes from the line of Robert Kwan of RBC Capital Markets.

Robert Michael Kwan
RBC Capital Markets, LLC, Research Division

Just starting on NSPI. So you've -- you're not going to have a GRA for nonfuel for 2019. I'm just wondering, does the 1.3% increase per year for the fuel side of things, does that fully -- or is that expected to fully dispose of the FAM and fully recover the Maritime Link in well costs as it relates -- and not obviously fully recover the whole project, but just the cost in those specific years?

Scott LaFleur
Manager of Investor Relations

Yes, Robert, it's Scott speaking. So that's exactly right. So that 1.3% is expected to cover the expected fuel costs through that 3-year period, which includes the Maritime Link, Robert, yes.

Robert Michael Kwan
RBC Capital Markets, LLC, Research Division

Okay. And how does the rate freeze on the nonfuel square up with kind of any unforeseen costs or capital investments in rate base?

Scott LaFleur
Manager of Investor Relations

Well, we've -- within that estimate, we've factored in within that 3 years our view is to our cost profile through that period. Obviously, we've got a long operating history, and so we understand the variability of some of the cost inputs within that, and we fully factored that into that rate freeze through 2019.

Robert Michael Kwan
RBC Capital Markets, LLC, Research Division

So for definitely -- sorry -- is there wiggle room then in terms of contingency? Or is there -- are there going to be explicit, either deferral mechanisms or ability to have a rate rider for unforeseen costs?

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Well, if it's completely unforeseen and unpredictable, then I think there is a mechanism within the structure that allows us to deal with that. But for all of the majority and major issues we forecast where we will be, and we're comfortable that the business can manage through that period and do that on behalf of customers.

Robert Michael Kwan
RBC Capital Markets, LLC, Research Division

Okay, that's great. And if I can just finish up on Maine, and two questions here. First being just in the quarter, you had $3.4 million on the revenue side due to weather. If you, just to kind of think about it, if you had normal weather, would that $3.4 million have dropped to the bottom line net of tax? And then, the second question just on ROEs, did you release some of the reserves in the quarter back into revenues?

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Your second question, Robert, no. We didn't release any of the reserve back into the quarterly results. And the majority of the $3.4 million, yes, if you tax it back to -- it would have gone to the bottom line. There was some loss of industrial load that was not weather-related, but it would be probably...

Alan Richardson

We were down -- it's Alan Richardson. We were down about 46 gigawatt hours and about 20 of that was industrial.

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

And maybe 40% of it, Robert, would've been lost to industrial load and the balance weather.

Operator

And there are no further questions in the queue at this time. I'll turn the call back to the presenters.

Christopher G. H. Huskilson
Chief Executive Officer, President and Non-Independent Director

Okay. Well, thank you very much for your participation in the call today and for your interest in Emera. And speaking of that interest, we are holding our AGM at the Design Exchange in Toronto next week, 2:00 p.m. on Tuesday, May 17. So we look forward to seeing you there for that meeting. Thank you all very much, and have a good day.

Operator
And this concludes today's conference call. You may now disconnect.