

1 Q. Please provide all available information concerning the capital structures of
2 other government-owned or cooperatively owned electric generation and/or
3 transmission utilities in North America.

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6 A. The actual 2001 debt ratios for the majority of Canadian government-owned
7 electric utilities were presented in Schedule I. Available 2002 data for
8 Canadian government-owned utilities follows. Ratios are also provided for
9 two territorially-owned electric utilities not covered by DBRS, Northwest
10 Territories Power and Yukon Energy. The debt ratios were calculated using
11 the DBRS methodology for comparability with those reported on Schedule I,
12 the Cost of Capital evidence, line 7.

	Actual Debt Ratio (2002)
<u>Provincially Owned and Guaranteed</u>	
BC Hydro ^{1/}	81.5
Hydro-Quebec	73.8
NB Power	106.0
Newfoundland and Labrador Hydro ^{2/}	70.3
Northwest Territories Power	58.0
Saskatchewan Power	60.2
Yukon Energy ^{3/}	60.0
<u>Government Owned - Not Guaranteed</u>	
Enmax	15.4
EPCOR Utilities ^{4/}	58.5
Hydro One ^{5/}	56.2
Hydro Ottawa	58.7
Toronto Hydro	49.5

1/ Debt excludes sinking fund provisions and temporary investments;
equity includes balance in RSA.

2/ Consolidated basis.

3/ 2001.

4/ Preferred shares given 30% debt treatment.

5/ Preferred shares given 20% debt treatment.

Source: Annual Reports

Information on Crown Corporation target capital structure ratios was provided at page 16 of Ms. McShane's evidence. The following provides recent allowed capital structures for Canadian government-owned electric utilities. All except Northwest Territories Power represent deemed ratios; NWTPC's allowed capital structure is based on forecast actual values.

1		Allowed
2		<u>Common Equity Ratio</u>
3		
4	Hydro Quebec	
5	Transmission	30%
6	Distribution	35%
7		
8	NB Power	
9	Transmission	35%
10		
11	EPCOR Utilities	
12	Generation – PPAs	45%
13	Transmission	35%
14		
15	Hydro One	
16	Transmission/Distribution	36% (+ 4% preferred)
17		
18	Ontario MEUs (Distribution)	
19	> \$1 billion rate base	35%
20	\$250 million - \$1 billion rate base	40%
21		
22	Northwest Territories Power	42.5% (forecast actual)
23		(target 45-50%)
24		
25	Yukon Energy	40%

Balance sheet information for 2001 for the over 500 publicly-owned (and largely not-for-profit) electric utilities in the United States is available on the U.S. Department of Energy's Energy Information Agency website. Capital structure ratios, calculated from this data, are provided below:

<u>Largest 10 U.S. Public Power Utilities (Net Plant)</u>	<u>Electric Plant (\$ millions)</u>	<u>Long-Term Debt Ratio</u>
Tennessee Valley Authority	25,327	96.6%
Long Island Power Authority	5,824	100.4%
Los Angeles Dept of Water & Power	4,359	51.4%
City Pub Svs San Antonio	3,815	55.7%
Salt River Proj Ag I & P Dist	3,608	59.2%
Western Area Power Admin	3,372	0.0%
Bonneville Power Admin	3,280	89.5%
JEA-Jacksonville Electric Authority	2,853	80.6%
Power Authority of State of NY	2,807	56.3%
South Carolina Pub Serv Auth	2,478	69.2%

Largest 10 Companies:

Average	65.9%
Median	64.2%

All Companies Reporting Positive Plant (516):

Average	28.6%
Median	19.0%
Composite	67.7%

Source: Energy Information Agency, Form EIA-412 Database.