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3 **Q. Reference: Page 40, Lines 18-19**  
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5 **“This is why they appeal to Canadian investors who can use the dividend tax credit and**  
6 **why their shares are generally held by Canadian and not foreign investors.”**  
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8 **Please explain the difference in the dividend tax implications to a U.S. and a Canadian**  
9 **retail investor of owning shares in Canadian utilities.**  
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12 **A.** Canadian investors receive the dividend tax credit and pay significantly lower taxes on  
13 Canadian eligible dividends. US investors first pay with-holding taxes and then the dividends  
14 are taxed as ordinary income subject to special temporary tax treatments that are in effect.  
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