

1 **Q. Reference Allowed ROEs and common equity ratios, pages 9 and 10: Please confirm**
2 **that although the NEB allowed TQM an ATWACC it also indicated it was**
3 **equivalent to a 9.7% ROE on 40% common equity and subsequently all the**
4 **mainline gas pipelines have negotiated the same 9.7% ROE on 40% common equity,**
5 **for example Westcoast Transmission, Foothills, NGTL etc.**

6
7 A. Mr. MacDonald confirms.