

1 **Volume 1, Section 3 – Finance**

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3 **Q. (page 51, and CA-599 Attachment A, NP 2003GRA)**

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5 **a. Please update the table of “Comparative Approved Returns on Equity For Rate**
6 **Making Purposes” from CA-599 Attachment A, NP 2003GRA to include the**
7 **years 2004, 2005, 2006, and 2007.**

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9 **b. For each of the utilities listed in the table requested in (a), please provide the**
10 **most-recently-approved, common equity ratio allowed for regulatory rate-**
11 **setting purposes.**

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13 **A.** Attachment A is an updated table of “Comparative Approved Returns on Equity For Rate
14 Making Purposes” for the years 1997 to 2007.

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16 Attachment B is a table summarizing the most recently approved common equity ratios
17 allowed for rate making purposes for the utilities listed in Attachment A.

**Comparative Approved Returns on Equity
For Rate Making Purposes**

| Utility | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|
| British Columbia Utilities Commission | | | | | | | | | | | |
| FortisBC Inc. | 10.50% | 10.25% | 9.50% | 10.00% | 9.75% | 9.53% | 9.82% | 9.55% | 9.43% | 9.20% | 8.77% |
| Terasen Gas Inc. | 10.25% | 10.00% | 9.25% | 9.50% | 9.25% | 9.13% | 9.42% | 9.15% | 9.03% | 8.80% | 8.37% |
| Pacific Northern Gas Ltd | 11.00% | 10.75% | 10.00% | 10.25% | 10.00% | 9.88% | 10.17% | 9.80% | 9.68% | 9.45% | 9.02% |
| National Energy Board | | | | | | | | | | | |
| TransCanada Pipelines Limited | 10.67% | 10.21% | 9.58% | 9.90% | 9.61% | 9.53% | 9.79% | 9.56% | 9.46% | 8.88% | 8.46% |
| Westcoast Energy Inc | 10.67% | 10.21% | 9.58% | 9.90% | 9.61% | 9.53% | 9.79% | 9.56% | 9.46% | 8.88% | 8.46% |
| TransQuebec & Maritimes Pipeline | 10.67% | 10.21% | 9.58% | 9.90% | 9.61% | 9.53% | 9.79% | 9.56% | 9.46% | 8.88% | 8.46% |
| Enbridge Pipe Line Inc | 10.67% | 10.21% | 9.58% | 9.90% | 9.61% | 9.53% | 9.79% | 9.56% | 9.46% | 8.88% | 8.46% |
| Trans Mountain Pipe Line | 10.67% | 10.21% | 9.58% | 9.90% | 9.61% | 9.53% | 9.79% | 9.56% | 9.46% | 8.88% | 8.46% |
| Trans-Northern Pipeline | 10.67% | 10.21% | 9.58% | 9.90% | 9.61% | 9.53% | 9.79% | 9.56% | 9.46% | 8.88% | 8.46% |
| Foothills Pipe Lines | 10.67% | 10.21% | 9.58% | 9.90% | 9.61% | 9.53% | 9.79% | 9.56% | 9.46% | 8.88% | 8.46% |
| Alberta Natural Gas | 10.67% | 10.21% | 9.58% | 9.90% | 9.61% | 9.53% | 9.79% | 9.56% | 9.46% | 8.88% | 8.46% |
| Public Utilities Board of Manitoba | | | | | | | | | | | |
| Centra Gas Manitoba | 10.58% | 9.91% | 9.91% | 9.91% | 9.91% | 9.91% | n/a | n/a | n/a | n/a | n/a |
| Ontario Energy Board | | | | | | | | | | | |
| Enbridge Gas Distribution Inc. | 11.50% | 10.30% | 9.51% | 9.73% | 9.54% | 9.66% | 9.69% | 9.69% | 9.57% | 8.74% | 8.39% |
| Union Gas Limited | 11.00% | 10.44% | 9.61% | 9.95% | 9.95% | 9.95% | 9.95% | 9.62% | 9.62% | 9.62% | 8.54% |
| Hydro One | n/a | n/a | 9.35% | 9.88% | 9.88% | 9.88% | 9.88% | 9.88% | 9.88% | 9.00% | (1) |
| Regie de L'Energie | | | | | | | | | | | |
| Gaz Metro Inc. | 11.50% | 10.75% | 9.64% | 9.72% | 9.60% | 9.67% | 9.89% | 9.45% | 9.69% | 8.95% | 8.73% |
| Alberta Energy and Utilities Board | | | | | | | | | | | |
| Atco Electric (Alberta Power) | (2) | (2) | (2) | (2) | (2) | (2) | 9.40% | 9.60% | 9.50% | 8.93% | 8.51% |
| TransAlta Utilities (3) | (2) | (2) | 9.25% | 9.25% | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| FortisAlberta Inc. | n/a | n/a | n/a | n/a | n/a | 9.50% | 9.50% | 9.60% | 9.50% | 8.93% | 8.51% |
| Nova Scotia Utility and Review Board | | | | | | | | | | | |
| Nova Scotia Power | 10.75% | 10.75% | 10.75% | 10.75% | 10.75% | 10.15% | 10.15% | 10.15% | 9.55% | 9.55% | (1) |
| Newfoundland Power Inc. | 11.00% | 9.25% | 9.25% | 9.59% | 9.59% | 9.05% | 9.75% | 9.75% | 9.24% | 9.24% | 8.60% |

(1) 2007 not yet approved

(2) Negotiated Settlement Process - no ROE approved for these years

(3) Electric distribution assets now owned by FortisAlberta Inc.

**Deemed Equity Ratio
 For Rate Making Purposes**

| <u>Utility</u> | <u>Deemed Equity Ratio</u> |
|--|--------------------------------|
| <u>British Columbia Utilities Commission</u> | |
| FortisBC Inc. | 40.0 |
| Terasen Gas Inc. | 35.0 |
| Pacific Northern Gas Ltd | 40.0 |
| <u>National Energy Board</u> | |
| TransCanada Pipelines Limited | 36.0 |
| Westcoast Energy Inc | 36.0 |
| TransQuebec & Maritimes Pipeline | 30.0 |
| Enbridge Pipe Line Inc | (1) |
| Trans Mountain Pipe Line | 45.0 |
| Trans-Northern Pipeline | (1) |
| Foothills Pipe Lines | 36.0 |
| Alberta Natural Gas | 36.0 |
| <u>Ontario Energy Board</u> | |
| Enbridge Gas Distribution Inc. | 35.0 |
| Union Gas Limited | 36.0 |
| Hydro One | 36.0 |
| <u>Regie de L'Energie</u> | |
| Gaz Metro Inc. | 38.5 |
| <u>Alberta Energy and Utilities Board</u> | |
| Atco Electric (Alberta Power) | 37.0 |
| FortisAlberta Inc. | 37.0 |
| <u>Nova Scotia Utility and Review Board</u> | |
| Nova Scotia Power | 37.5 |
| Newfoundland Power Inc. | 45.0 |

⁽¹⁾ Equity Ratio unknown