

- 1 **Q. At page 16 of her direct testimony, Ms. McShane states that the BBB-A utility**
2 **spread in Canada is 175 bps and 85 bps in the U.S. Please provide a copy of all work**
3 **papers and supporting documents in support of this testimony.**
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- 5 A. Ms. McShane states that the spreads have been as high as 175 basis points and 85 basis
6 points. For Canada, please see response to CA-NP-270. For the U.S., please see
7 Attachment A which provides the month-end yields for Moody's Baa and A rated bonds
8 over the period 2002-2006.

Moody's Public Utility Bond Yields

LONG-TERM MOODY'S PUBLIC UTILITY BOND YIELDS			
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	A	Baa	Spread
Jan-02	7.6	8.21	0.61
Feb-02	7.51	8.11	0.6
Mar-02	7.79	8.49	0.7
Apr-02	7.54	8.14	0.6
May-02	7.49	8.35	0.86
Jun-02	7.42	8.24	0.82
Jul-02	7.23	7.93	0.7
Aug-02	7.2	7.61	0.41
Sep-02	6.99	7.66	0.67
Oct-02	7.21	7.91	0.7
Nov-02	7.17	7.74	0.57
Dec-02	6.99	7.47	0.48
Jan-03	7.03	7.32	0.29
Feb-03	6.82	7.03	0.21
Mar-03	6.68	6.99	0.31
Apr-03	6.54	6.69	0.15
May-03	6.26	6.35	0.09
Jun-03	6.32	6.44	0.12
Jul-03	6.88	7.15	0.27
Aug-03	6.71	6.98	0.27
Sep-03	6.23	6.62	0.39
Oct-03	6.4	6.71	0.31
Nov-03	6.35	6.7	0.35
Dec-03	6.28	6.65	0.37
Jan-04	6.11	6.4	0.29
Feb-04	6.04	6.22	0.18
Mar-04	6.02	6.15	0.13
Apr-04	6.45	6.58	0.13
May-04	6.53	6.71	0.18
Jun-04	6.36	6.77	0.41
Jul-04	6.36	6.71	0.35
Aug-04	6.02	6.32	0.3
Sep-04	5.96	6.24	0.28
Oct-04	5.89	6.1	0.21
Nov-04	6.07	6.27	0.2
Dec-04	5.88	6.17	0.29
Jan 05	5.65	5.8	0.15
Feb 05	5.76	5.91	0.15
Mar 05	5.75	6.04	0.29
Apr-05	5.54	5.86	0.32
May-05	5.41	5.75	0.34
Jun-05	5.35	5.65	0.3
Jul-05	5.53	5.82	0.29
Aug-05	5.3	5.61	0.31
Sep-05	5.65	5.95	0.3
Oct-05	5.91	6.2	0.29
Nov-05	5.85	6.18	0.33

Dec-05	5.69	6.03	0.34
Jan 06	5.84	6.15	0.31
Feb-06	5.77	6.04	0.27
Mar-06	6.14	6.41	0.27
Apr-06	6.37	6.61	0.24
May-06	6.43	6.62	0.19
Jun-06	6.43	6.67	0.24
Jul-06	6.29	6.52	0.23
Aug-06	6.07	6.31	0.24
Sep-06	5.9	6.18	0.28
Oct-06	5.84	6.09	0.25
Nov-06	5.68	5.93	0.25
Dec-06	5.95	6.18	0.23