

Requested Capital Structure/Rate of Return

Ln	(A) Description	(B) Allocation	(C) Average Cost	(D) Weighted Cost
1	Total Long Term Debt	65.00%	4.70%	3.06%
2	Total Equity	35.00%	12.50%	4.38%
3	Total Cost of Capital (Intrastate)	<u>100.00%</u>		<u>7.43%</u>
		Interstate	Intrastate	Total Company
4	Rate Base	39	61	100
5	Overall Rate of Return	12.97%	7.43%	
6	Weighting Percentage	39.38%	60.62%	
7	Weighted Rate of Return			9.61%