ERICA HAMILTON
COMMISSION SECRETARY
Commission.Secretary@bcuc.com
web site: http://www.bcuc.com

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC CANADA V6Z 2N3
TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

Log. No. 39204

VIA EMAIL

November 16, 2012

BRITISH COLUMBIA UTILITIES COMMISSION
GENERIC COST OF CAPITAL PROCEEDING EXHIBIT A2-27

To: All Registered Parties
(*BCUC-GCOC*)

Re: British Columbia Utilities Commission
Project No. 3698660/G-20-12
Generic Cost of Capital Proceeding

Commission staff submits the following document for the record in this proceeding:

Cost of Capital by Sector: NYU-Value Line Database

Yours truly,

Erica Hamilton

/dg
Attachment

Cost of Capital by Sector

Data Used: Value Line database, of 5891 firms

Date of Analysis: Data used is as of January 2012

Variable Definitions can be obtained by clicking here

Download Detail on which companies are included in each industry

Industry Name	*Number of Firms*	*Beta*	*Cost of Equity*	*E/(D+E)*	*Std Dev in Stock*	*Cost of Debt*	*Tax Rate*	*After-tax Cost of Debt*	*D/(D+E)*	*Cost of Capital*
Advertising	31	2.02	14.09%	69.80%	101.29%	5.87%	10.73%	5.24%	30.20%	11.42%
Aerospace/Defense	64	1.10	8.49%	79.58%	61.32%	3.37%	20.72%	2.67%	20.42%	7.30%
Air Transport	36	1.21	9.21%	80.44%	64.80%	3.37%	20.54%	2.68%	19.56%	7.93%
Apparel	57	1.30	9.71%	84.47%	88.82%	4.37%	16.08%	3.67%	15.53%	8.77%
Auto Parts	51	1.70	12.13%	78.34%	80.58%	4.37%	18.99%	3.54%	21.66%	10.27%
Automotive	12	1.59	11.47%	42.63%	68.91%	3.87%	24.07%	2.94%	57.37%	6.57%
Bank	426	0.77	6.52%	39.05%	61.15%	3.37%	15.97%	2.83%	60.95%	4.27%
Bank (Midwest)	45	0.93	7.50%	62.69%	55.60%	3.37%	17.77%	2.77%	37.31%	5.74%
Beverage	34	0.88	7.20%	79.04%	66.05%	3.87%	19.14%	3.13%	20.96%	6.35%
Biotechnology	158	1.03	8.09%	88.12%	113.11%	5.87%	2.49%	5.72%	11.88%	7.81%
Building Materials	45	1.50	10.96%	51.46%	78.83%	3.87%	11.17%	3.44%	48.54%	7.31%
Cable TV	21	1.37	10.15%	59.50%	50.77%	3.37%	27.35%	2.45%	40.50%	7.03%
Chemical (Basic)	16	1.36	10.08%	78.53%	49.27%	2.87%	20.90%	2.27%	21.47%	8.41%
Chemical (Diversified)	31	1.51	11.02%	81.72%	56.31%	3.37%	21.73%	2.64%	18.28%	9.48%
Chemical (Specialty)	70	1.28	9.57%	82.54%	71.60%	3.87%	17.58%	3.19%	17.46%	8.46%
Coal	20	1.53	11.08%	77.58%	55.52%	3.37%	12.75%	2.94%	22.42%	9.26%
Computer Software	184	1.04	8.17%	93.03%	82.03%	4.37%	12.27%	3.83%	6.97%	7.87%
Computers/Peripherals	87	1.30	9.71%	90.72%	97.69%	4.87%	11.77%	4.30%	9.28%	9.21%
Diversified Co.	107	1.14	8.76%	49.45%	75.00%	3.87%	15.55%	3.27%	50.55%	5.98%
Drug	279	1.12	8.63%	86.61%	103.44%	5.87%	5.36%	5.56%	13.39%	8.22%

E-Commerce	57	1.03	8.08%	93.98%	88.13%	4.37%	12.33%	3.83%	6.02%	7.83%
Educational Services	34	0.83	6.91%	89.03%	78.24%	3.87%	25.17%	2.90%	10.97%	6.47%
Electric Util. (Central)	21	0.75	6.41%	53.72%	23.37%	2.37%	31.82%	1.62%	46.28%	4.19%
Electric Utility (East)	21	0.70	6.08%	60.18%	18.30%	2.37%	33.14%	1.58%	39.82%	4.29%
Electric Utility (West)	14	0.75	6.40%	54.19%	19.85%	2.37%	31.30%	1.63%	45.81%	4.21%
Electrical Equipment	68	1.33	9.89%	88.76%	67.76%	3.87%	17.02%	3.21%	11.24%	9.14%
Electronics	139	1.07	8.31%	81.75%	89.93%	4.37%	10.36%	3.92%	18.25%	7.51%
Engineering & Const	25	1.22	9.26%	89.29%	65.03%	3.87%	26.26%	2.85%	10.71%	8.57%
Entertainment	77	1.63	11.72%	70.93%	108.37%	5.87%	15.38%	4.97%	29.07%	9.76%
Entertainment Tech	40	1.23	9.32%	91.11%	76.91%	3.87%	11.59%	3.42%	8.89%	8.79%
Environmental	82	0.81	6.73%	69.59%	92.14%	4.87%	11.71%	4.30%	30.41%	5.99%
Financial Svcs. (Div.)	225	1.31	9.76%	28.45%	82.27%	4.37%	19.18%	3.53%	71.55%	5.30%
Food Processing	112	0.91	7.39%	77.20%	60.68%	3.37%	20.00%	2.70%	22.80%	6.32%
Foreign Electronics	9	1.09	8.47%	70.38%	35.40%	2.87%	35.12%	1.86%	29.62%	6.51%
Funeral Services	6	1.14	8.73%	63.86%	39.35%	2.87%	30.84%	1.98%	36.14%	6.29%
Furn/Home Furnishings	35	1.81	12.81%	80.39%	80.90%	4.37%	20.43%	3.48%	19.61%	10.98%
Healthcare Information	25	1.17	8.95%	94.03%	65.79%	3.87%	22.19%	3.01%	5.97%	8.60%
Heavy Truck & Equip	21	1.80	12.76%	69.61%	69.92%	3.87%	20.62%	3.07%	30.39%	9.82%
Homebuilding	23	1.45	10.62%	49.93%	70.00%	3.87%	5.12%	3.67%	50.07%	7.14%
Hotel/Gaming	51	1.74	12.37%	65.76%	79.09%	3.87%	14.53%	3.31%	34.24%	9.26%
Household Products	26	1.07	8.32%	84.04%	62.24%	3.37%	25.12%	2.52%	15.96%	7.40%
Human Resources	23	1.24	9.34%	90.65%	78.27%	3.87%	25.35%	2.89%	9.35%	8.73%
Industrial Services	137	0.93	7.51%	75.35%	74.43%	3.87%	19.03%	3.13%	24.65%	6.43%
Information Services	27	1.07	8.35%	76.80%	48.10%	2.87%	18.93%	2.33%	23.20%	6.95%
Insurance (Life)	30	1.58	11.43%	60.92%	53.35%	3.37%	28.04%	2.43%	39.08%	7.91%
Insurance (Prop/Cas.)	49	0.91	7.37%	80.90%	37.88%	2.87%	19.36%	2.31%	19.10%	6.40%
Internet	186	1.09	8.45%	97.37%	117.09%	5.87%	6.87%	5.47%	2.63%	8.37%
IT Services	60	1.06	8.25%	94.26%	69.45%	3.87%	19.15%	3.13%	5.74%	7.96%
Machinery	100	1.20	9.12%	83.95%	57.21%	3.37%	22.15%	2.62%	16.05%	8.07%
Maritime	52	1.40	10.30%	36.99%	69.19%	3.87%	5.55%	3.66%	63.01%	6.11%
Med Supp Invasive	83	0.85	6.99%	86.15%	79.18%	3.87%	11.86%	3.41%	13.85%	6.50%
Med Supp Non-Invasive	146	1.03	8.09%	88.48%	84.89%	4.37%	12.73%	3.81%	11.52%	7.60%
Medical Services	122	0.91	7.39%	66.91%	76.26%	3.87%	19.93%	3.10%	33.09%	5.97%
Metal Fabricating	24	1.59	11.48%	86.59%	68.98%	3.87%	26.55%	2.84%	13.41%	10.32%
Metals & Mining (Div.)	73	1.33	9.89%	87.64%	104.38%	5.87%	11.04%	5.22%	12.36%	9.31%
Natural Gas (Div.)	29	1.33	9.87%	72.96%	48.77%	2.87%	21.98%	2.24%	27.04%	7.81%
Natural Gas Utility										

	22	0.66	5.85%	59.74%	24.90%	2.37%	30.16%	1.66%	40.26%	4.16%
Newspaper	13	1.76	12.53%	68.33%	90.74%	4.87%	25.13%	3.65%	31.67%	9.72%
Office Equip/Supplies	24	1.38	10.18%	61.34%	64.26%	3.37%	21.05%	2.66%	38.66%	7.27%
Oil/Gas Distribution	13	0.96	7.68%	63.17%	56.61%	3.37%	13.70%	2.91%	36.83%	5.92%
Oilfield Svcs/Equip.	93	1.55	11.24%	81.36%	62.37%	3.37%	17.39%	2.78%	18.64%	9.66%
Packaging & Container	26	1.16	8.86%	65.87%	41.59%	2.87%	24.23%	2.17%	34.13%	6.58%
Paper/Forest Products	32	1.36	10.08%	62.55%	93.84%	4.87%	10.61%	4.35%	37.45%	7.94%
Petroleum (Integrated)	20	1.18	9.01%	83.90%	38.99%	2.87%	27.41%	2.08%	16.10%	7.89%
Petroleum (Producing)	176	1.34	9.97%	80.08%	88.11%	4.37%	11.14%	3.88%	19.92%	8.76%
Pharmacy Services	19	1.12	8.63%	83.00%	59.43%	3.37%	24.67%	2.54%	17.00%	7.60%
Pipeline MLPs	27	0.98	7.81%	70.94%	34.90%	2.87%	6.37%	2.69%	29.06%	6.32%
Power	93	1.35	10.03%	40.19%	97.19%	4.87%	8.66%	4.45%	59.81%	6.69%
Precious Metals	84	1.15	8.79%	92.43%	90.87%	4.87%	7.51%	4.50%	7.57%	8.47%
Precision Instrument	77	1.28	9.57%	86.25%	65.33%	3.87%	13.94%	3.33%	13.75%	8.71%
Property Management	31	1.13	8.72%	41.56%	82.21%	4.37%	18.59%	3.56%	58.44%	5.70%
Public/Private Equity	11	2.18	15.01%	62.55%	77.54%	3.87%	3.79%	3.72%	37.45%	10.78%
Publishing	24	1.25	9.40%	61.24%	64.98%	3.37%	18.55%	2.74%	38.76%	6.82%
R.E.I.T.	5	1.47	10.73%	74.23%	49.61%	2.87%	1.04%	2.84%	25.77%	8.70%
Railroad	12	1.44	10.56%	79.91%	42.95%	2.87%	23.74%	2.19%	20.09%	8.88%
Recreation	56	1.45	10.62%	67.25%	70.55%	3.87%	17.37%	3.20%	32.75%	8.19%
Reinsurance	13	0.93	7.47%	80.94%	30.40%	2.87%	7.22%	2.66%	19.06%	6.55%
Restaurant	63	1.27	9.52%	88.68%	68.37%	3.87%	21.57%	3.04%	11.32%	8.79%
Retail (Hardlines)	75	1.77	12.57%	80.43%	92.79%	4.87%	23.04%	3.75%	19.57%	10.84%
Retail (Softlines)	47	1.44	10.55%	94.68%	60.91%	3.37%	24.64%	2.54%	5.32%	10.13%
Retail Automotive	20	1.37	10.13%	72.41%	52.02%	3.37%	34.43%	2.21%	27.59%	7.95%
Retail Building Supply	8	1.04	8.18%	87.67%	37.61%	2.87%	31.39%	1.97%	12.33%	7.41%
Retail Store	37	1.29	9.64%	79.63%	67.71%	3.87%	25.02%	2.90%	20.37%	8.27%
Retail/Wholesale Food	30	0.75	6.39%	70.75%	40.02%	2.87%	31.21%	1.97%	29.25%	5.10%
Securities Brokerage	28	1.20	9.11%	18.85%	44.31%	2.87%	26.22%	2.12%	81.15%	3.43%
Semiconductor	141	1.50	10.94%	92.30%	70.52%	3.87%	11.01%	3.44%	7.70%	10.36%
Semiconductor Equip	12	1.79	12.70%	86.80%	68.70%	3.87%	15.17%	3.28%	13.20%	11.46%
Shoe	19	1.25	9.43%	97.87%	55.52%	3.37%	24.31%	2.55%	2.13%	9.28%
Steel	32	1.68	12.03%	68.31%	56.94%	3.37%	21.03%	2.66%	31.69%	9.06%
Telecom. Equipment	99	1.02	8.00%	88.52%	87.77%	4.37%	13.16%	3.79%	11.48%	7.52%
Telecom. Services	74	0.98	7.78%	74.58%	68.58%	3.87%	14.22%	3.32%	25.42%	6.65%
Telecom. Utility	25	0.88	7.16%	50.98%	60.40%	3.37%	29.42%	2.38%	49.02%	4.82%
Thrift										

	148	0.71	6.17%	77.32%	53.93%	3.37%	12.43%	2.95%	22.68%	5.44%
Tobacco	11	0.85	7.03%	84.24%	41.53%	2.87%	31.03%	1.98%	15.76%	6.23%
Toiletries/Cosmetics	15	1.30	9.73%	82.89%	60.34%	3.37%	20.30%	2.69%	17.11%	8.53%
Trucking	36	1.24	9.38%	78.27%	59.88%	3.37%	25.48%	2.51%	21.73%	7.89%
Utility (Foreign)	4	0.96	7.68%	39.21%	32.68%	2.87%	26.07%	2.12%	60.79%	4.30%
Water Utility	11	0.66	5.85%	55.12%	18.89%	2.37%	35.22%	1.54%	44.88%	3.91%
Wireless Networking	57	1.27	9.54%	78.70%	75.03%	3.87%	12.12%	3.40%	21.30%	8.23%
Total Market	**5891**	**1.15**	**8.81%**	**68.19%**	75.08%	**3.87%**	**15.48%**	**3.27%**	**31.81%**	**7.05%**

Last Updated in January 2012
By Aswath Damodaran