Table 7

	Allowed Common Equity Ratio (1)	Allowed Return at Forecast 5.25% Long Canada (2)	Weighted Equity Return Component (Col 1 x Col 2)
Terasen Gas	**33.0%**	**8.75%**	**2.89%**
Comparables			
ATCO Gas	38.0%	9.28%	3.52%
Enbridge Gas	35.0%	9.15%	3.20%
Gaz Metro	38.5%	9.28%	3.57%
TransCanada Pipelines	36.0%	9.24%	3.33%
Union Gas	35.0%	9.30%	3.25%
AVERAGE	36.5%	9.25%	3.38%
TGVI	**35.0%**	**9.25%**	**3.24%**
Comparables			
AltaGas Utilities	41.0%	9.28%	3.80%
EGNB	50.0%	13.00%	6.50%
Gazifère	40.0%	9.68%	3.87%
Heritage	45.0%	13.00%	5.85%
Natural Resource Gas	40.0%	9.15%	3.66%
AVERAGE	43.2%	10.82%	4.74%
FortisBC	**40.0%**	**9.15%**	**3.66%**
Comparables			
AltaGas Utilities	41.0%	9.28%	3.80%
FortisAlberta	37.0%	9.28%	3.43%
Ontario MEUs [1/]	40.0%	9.05%	3.62%
Newfoundland Power	44.5%	9.47%	4.21%
AVERAGE	40.6%	9.27%	3.77%
Pacific Northern Gas	**36.0%**	**9.40%**	**3.38%**
Comparables			
AltaGas Utilities	41.0%	9.28%	3.80%
ATCO Pipelines	43.0%	9.28%	3.99%
Gazifère	40.0%	9.68%	3.87%
Natural Resource Gas	50.0%	9.15%	4.58%
AVERAGE	43.5%	9.34%	4.06%

[1/] Rate base $250 million to $1 billion

2. Changes in capital and economic conditions warrant a re-estimation of the fair return for a benchmark low risk utility; these changes are supportive of higher allowed returns in Canada than those currently prevailing.