

**Analysis of Revenue to Cost Ratios for Rate 6 with and without Upstream Cost allocation changes implemented in Fiscal 2005**

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
		Revenues	Costs	Over Contribution	R/C	Phase-in Adjustment	Over Cont. Adjusted	R/C Adjusted
	2001	382,497	375,764	6,733	1.02	15,742	22,475	1.06
	2002	382,469	376,713	5,756	1.02	16,004	21,760	1.06
	2003	397,408	395,259	2,149	1.01	15,599	17,748	1.05
	2004	n/a	n/a	n/a	n/a	n/a		
	2005	415,635	405,317	10,318	1.03	(8,722)	1,596	1.00
	2006	414,114	409,920	4,194	1.01	(5,181)	(987)	1.00
As Filed	2007	407,811	405,126	2,685	1.01	(4,892)	(2,207)	0.99
ADR@\$26M	2007	373,847	368,783	5,064	1.01	(4,892)	172	1.00

Notes:

Col 2 = Approved Revenues excluding Commodity

Col 3 = Approved Costs excluding Commodity

Col 4 = Revenues - Costs

Col 5 = Revenues/Costs

Col 6 = Adjustment to reflect currently approved upstream cost allocation methodology

Impact of full implementation of approved methodology in 2005 = 0.5 c/m<sup>3</sup> for Rate 6 customers

Impact for 2001-2003 derived as 0.5 c/m<sup>3</sup>\*Rate 6 volumes

Col 7 = Col 2 + Col 6

Col 8 = Col 2/(Col 3-Col 6) for 2001- 2003

Col 8 = (Col 2+Col 6)/Col 3 for 2005-2007