CAPITALIZATION RATIOS AT DECEMBER 31
OR
FOR OTHER FISCAL YEAR END*

This page of Schedule 4 may be generated from the capitalization as shown on Schedules 2 and 3, and will appear,

ITEM	2009	2010	2011	2012	2013
Common Stock					
Preferred Stock					
Long-Term Debt					
Short-Term Debt					
Deferred Taxes					
Investment Tax Credit					
Total Capital					

*May be shown without deferred taxes and investment tax credit.

A. Item:

The specific Item(s) of mortgage debt long term notes and PCRB Bonds, etc.

B. Financing Cost

The issue-specific initial cost of each item of long-term debt associated with floating the respective issue.

C. Net Proceeds:

This represents the ration of the net proceeds realized by the applicant in the sale of each issue of long-term debt to the face amount of each issue.

D Amount Outstanding:

The amount of Bonds remaining at the time that the estimated cost of long-term debt is made.

E. Cost Rate Based Upon Net Proceed

This may be derived with any one of several methods. Usually, however, the coupon rate is simply factored by the net proceeds or a bond table is employed aong with inerpolation. Wherein, a sinking fund provision is a component of the bond issue, however, either of these two methods may understate the true cost rate if such sinking fund is ignored. The sinking fund may be recognized in two ways. The annual interest cost plus sinking obligation may simply be factored by the face amount or the annual interest cost plus the sinking fund obligation can be "strung out" over the life of the bond and then solve for the "internal cost rate". The latter method is tedious and a memorandum is available in this regard. Alternatively, if the Petitioner furnishes the cash flows over the life of the bond(s), the PUC will calculate the cost rate.

F. Annual Cost:

The amount outstanding of each issue times the respective cost rate based on net proceeds.

G. Weighted Average Cost:

Computed by dividing the sum of the annual costs by the sum of the amount outstanding.