

Line No.	(a)	(b)	(c)	(d)	(e)
	Description	Rate Base	CWIP	Total	Source
3	Revised Numbers Are Shaded & Blocked				
4	Pro Forma Rate Base	778,728,024	*		PMS-7 Col f Ln 38
5	Construction Work In Progress (CWIP)		11,465,399	(Note 1)	Exhibit (TWZ-21)
6	Pro Forma Rate Base / CWIP	778,728,027	11,465,399		Ln 4 + 5
7	* Originally filed rate base \$783,977,356				
9	Weighted Cost of Debt	3.55%	3.55%		Staff Sch
10	Pro Forma Interest Expense	27,606,687	406,460		Ln 6 * Ln 9
11	Percent capitalized for income tax		56.35%		Ln 36
12	Less: 263A Interest	0	(229,026)		Ln 10 * Ln 11
14	Totals	27,606,687	177,434	27,784,122	Ln 10 + Ln 12
15	8,270,292				
16			Interest Expense Per Books	19,987,445	S3, Col. E Ln. 45
18	** Originally filed Adjustment \$8,270,292		Adjustment to Interest Expense	7,796,677	** Line 14 - Line 15

Percent of AFUDC capitalized as Sec 263A interest

SEC. 263A Interest

Year	Months in TY	Amount per Sch M1	Weighted 263A Interest	
2002	3	547,530	136,883	(M1 * 3/12)
2003	9	461,900	346,425	(M1 * 9/12)
Total	12	1,009,430	483,308	

Allowance for funds used during Construction (AFUDC)

Year	Months in TY	Amount per Sch M1	Weighted AFUDC	
2002	3	1,169,914	292,479	(M1 * 3/12)
2003	9	753,686	565,265	(M1 * 9/12)
Total	12	(547,530)	857,743	

Percent of AFUDC capitalized as Sec 263A interest 56.35%

( 483,308 / 857,743 = 56.35%)

Line 28 / Line 36 = %

Note 1: The amount is after the application of 2.853775% CAM (Company Schedule A4) and 75.626539% Intrastate (Company Schedule A3) Factors applicable to 'E' accounts.

Footnote: The application of Interest Synchronization is not appropriate and the Company has revised the Staff schedule merely to correct for the known calculation errors.