CAPITALIZATION RATE STUDY

For

CENTRALLY ASSESSED PROPERTIES

As of January 1, 2005

UTAH STATE TAX COMMISSION
PROPERTY TAX DIVISION

CAPITALIZATION RATE STUDY

SUMMARIES

UTAH STATE TAX COMMISSION
PROPERTY TAX DIVISION

Utah State Tax Commission
2005 Capitalization Rate Study

01-Mar-05 CAPRATES05.XLS

Industry	Equity Yield Rate	Percent Debt & Pref.	Percent Common Equity	Income Tax Rate
Airlines - Major	**17.46%**	**75%**	**25%**	**37.53%**
Airlines - Secondary	**14.51%**	**45%**	**55%**	**41.99%**
Airlines - Freight	**12.22%**	**20%**	**80%**	**38.97%**
Electric Utilities	**10.86%**	**45%**	**55%**	**34.01%**
Natural Gas Utilities	**10.79%**	**40%**	**60%**	**34.74%**
Natural Gas Pipelines	**10.67%**	**30%**	**70%**	**36.33%**
Liquid Pipelines	**10.23%**	**25%**	**75%**	**38.05%**
Railroads	**12.14%**	**35%**	**65%**	**34.50%**
Telecommunications I (Including Wireless) *	**12.87%**	**30%**	**70%**	**35.52%**
Telecommunications II	**15.80%**	**60%**	**40%**	**38.05%**

***Wireless Communications were combined with Telecommunications I category.**

BONDS AND PREFERRED STOCKS

Yield Rates

January 1, 2005

Public Utility Bonds	Rates
Aaa	N/A
Aa	5.78%
A	5.92%
Baa	6.10%

Corporate Bonds	
Aaa	5.47%
Aa	5.69%
A	5.82%
Baa	6.15%
Ba1	7.18%
Ba2	7.26%
Ba3	7.45%
B1	7.78%
B2	8.40%
B3	8.92%
Caa1	9.08%
Caa2	10.41%
Caa3	10.41%
Ca	13.03%
C	16.09%

Preferred Stocks	
aa	N/A
a	6.16%
baa	6.42%

INFLATION FACTORS FOR 2005 ASSESSMENT YEAR

Year	4th Quarter GDP Implicit Price Deflator (2000 = 100)	Annual Percentage Change	Conversion Index
1994	90.952	---	
1995	92.733	1.96%	1.176
1996	94.450	1.85%	1.154
1997	95.846	1.48%	1.138
1998	96.934	1.14%	1.125
1999	98.432	1.55%	1.108
2000	100.000	1.59%	1.090
2001	103.191	3.19%	1.057
2002	104.752	1.51%	1.041
2003	106.523	1.69%	1.024
2004	109.033	2.36%	1.000

1994 - 2004 Average Change 1.83%

Source: www.economagic.com

St. Louis Federal Reserve as of February 7, 2005

Miscellaneous Appraisal Facts, Factors, and Rates

2005 Assessment

Airline "TEFRA" relief factor	**6.50%**
Income Tax Rate	**38.50%**
If you need one, use this. It approximates an average marginal rate.	
4-R Act Relief for Railroads	**11.50%**
for Burlington Northern only the deduction is 6.51 percent.	
Rural Telephone adjusted Equity Rates:	
Based upon Commission Decision issued Oct. 10, 2000	
Adjustment to equity yield rate	**4.00%**
Value Line Gross Domestic Product Price Deflator Forecast	**2.00%**

Deferred Income Taxes will be subtracted in the Cost Approach for rate base regulated companies only.

This is to comply with Commission rule R884-24P-62 (utility appraisal rule).
If the company is not a rate base regulated company, then there is no adjustment.

Depreciation Rate for the Income Indicator on Leased Aircraft:

(Based upon an approximate 18 year economic life and no salvage value)

CAPITALIZATION RATE STUDY

YIELD RATES

UTAH STATE TAX COMMISSION
PROPERTY TAX DIVISION

MAJOR AIRLINES

File: AIRMAJOR.XLS **01-Feb-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	D.G.M. Rate
AMR Corp.	C	1.44	2.30	8.56				
Cont'l Airlines	C+	1.33	2.25	9.73				
Delta Air Lines	C+	1.33	1.95	6.19				
Northwest Airlines 'A'	C+	1.33	1.90	8.32				
Southwest Airlines	B+	1.00	1.10	15.15		9.50	0.02	9.64%
Mean		1.29	1.90			9.50		**9.64%**

Industry Growth Rate (used for DGM Rate) **9.50%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	1.90
Industry Risk Premium	13.66%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**18.56%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	1.29
Industry Risk Premium	9.25%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**14.15%**

SECONDARY AIRLINES

File: AIREGION.XLS **01-Feb-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	D.G.M. Rate
Alaska Air Group	C++	1.22	1.35	29.92			0.00	NMF
America West Hldg	C+	1.33	1.70	4.68	6.50		0.00	NMF
Mesa Air Group	C+	1.33	1.80	6.65	21.50		0.00	NMF
Mesaba Holdings	B+	1.00	0.80	9.17			0.00	NMF
Midwest Air Group	C+	1.33	1.15	2.90			0.00	NMF
SkyWest	B	1.11	1.45	17.43	16.60		0.00	NMF
								NMF
Mean		1.22	1.38		14.87			**NMF**

Industry Growth Rate (used for DGM Rate) **14.87%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	1.38
Industry Risk Premium	9.89%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**14.79%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	1.22
Industry Risk Premium	8.77%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**13.67%**

AIR FREIGHT

File: AIRFREGT.XLS **01-Feb-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	D.G.M. Rate
AirNet Systems Inc	C+	1.33	0.70	3.50				NMF
AirTran Hldgs Inc	B	1.11	1.50	8.86	19.25			NMF
FedEx Corp.	B++	0.89	1.10	94.12	16.50	23.50		NMF
United Parcel Serv.	A+	0.67	0.80	76.76	11.50	9.00		NMF
Mean		1.00	1.03		15.75	16.25		**NMF**

Industry Growth Rate (used for DGM Rate) **16.00%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	1.03
Industry Risk Premium	7.37%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**12.27%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	1.00
Industry Risk Premium	7.19%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**12.09%**

ELECTRIC UTILITIES

File: ELECTRIC.XLS **01-Feb-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	D.G.M. Rate
Cinergy Corp.	A	0.78	0.80	40.47	2.00	2.00	1.91	8.17%
DPL Inc.	B	1.11	0.90	23.98	7.00	1.50	0.97	7.47%
Empire Dist. Elec.	B+	1.00	0.70	21.55	6.50		1.28	9.43%
IDACORP Inc.	B+	1.00	0.85	29.75	1.50		1.20	7.46%
OGE Energy	B++	0.89	0.70	25.27	5.00	1.00	1.33	8.73%
Puget Energy Inc.	B+	1.00	0.75	23.81	8.50		1.00	7.63%
Mean		0.96	0.78		5.08	1.50		**8.15%**

Industry Growth Rate (used for DGM Rate) **3.29%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	0.78
Industry Risk Premium	5.63%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**10.53%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	0.96
Industry Risk Premium	6.93%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**11.83%**

GAS UTILITIES

File: GASUTIL.XLS **01-Feb-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	D.G.M. Rate
AGL Resources	B++	0.89	0.80	32.15	5.00		1.16	7.53%
Atmos Energy	B+	1.00	0.70	26.22	5.00	2.50	1.24	8.70%
Cascade Natural Gas	B+	1.00	0.75	20.41	5.00			
Laclede Group	B+	1.00	0.70	28.78	5.50		1.36	8.69%
NICOR Inc.	A	0.78	1.05	35.70		2.50	1.88	9.25%
Northwest Nat. Gas	B++	0.89	0.65	32.80	5.50	2.50	1.33	8.00%
Peoples Energy	A	0.78	0.80	42.44		2.00	2.16	9.07%
Southwest Gas	B	1.11	0.80	24.16				
Mean		0.93	0.78		5.20	2.38		**8.54%**

Industry Growth Rate (used for DGM Rate) **3.79%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	0.78
Industry Risk Premium	5.62%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**10.52%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	0.93
Industry Risk Premium	6.70%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**11.60%**

GAS PIPELINES

File: GASPIP2.XLS **01-Feb-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	**D.G.M. Rate**
Enterprise Products	B	1.11	0.60	26.57	11.00	8.50	1.58	14.37%
Equitable Resources	B+	1.00	0.75	58.95	10.50		1.65	10.98%
Kinder Morgan	B+	1.00	0.80	72.02	15.00		2.40	11.55%
Kinder Morgan Energy	B+	1.00	0.70	45.07	10.00	8.50	3.05	15.26%
National Fuel Gas	B++	0.89	0.80	26.94	5.50	3.50	1.12	12.44%
Northern Border Partners LP	B++	0.89	0.55	48.98	4.50			
Questar Corp.	B++	0.89	0.85	47.08	12.00	4.00	0.86	9.93%
Mean		0.97	0.72		9.79	6.13		**12.42%**

Industry Growth Rate (used for DGM Rate) **7.96%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	0.72
Industry Risk Premium	5.19%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**10.09%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	0.97
Industry Risk Premium	6.96%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**11.86%**

LIQUID PIPELINES

File: PETROLIN.XLS **01-Feb-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	D.G.M. Rate
Buckeye Partners L.P.	B+	1.00	0.70	42.80	5.50	2.00	2.70	11.79%
Kaneb Pipe Line Part	B++	0.89	0.60	60.60	6.67			
Kinder Morgan Energy	B+	1.00	0.70	45.07			3.05	12.27%
TEPPCO Partners L.P.	B	1.11	0.60	39.29	7.50	5.50	2.75	12.51%
Mean		1.00	0.65		6.56	3.75		**12.19%**

Industry Growth Rate (used for DGM Rate) **5.15%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	0.65
Industry Risk Premium	4.67%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**9.57%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	1.00
Industry Risk Premium	7.19%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**12.09%**

RAILROADS

File: RAIL.XLS **01-Feb-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	D.G.M. Rate
Burlington Northern	B+	1.00	0.95	45.87	11.50		0.68	10.79%
CSX Corp.	B++	0.89	1.05	38.53	12.00	4.50	0.40	10.30%
Kansas City South'n	B+	1.00	1.10	16.45	13.50			
Norfolk Southern	B	1.11	1.05	35.66			0.40	10.39%
Union Pacific	B+	1.00	0.90	63.56		7.50	1.20	11.23%
Mean		1.00	1.01		12.33	6.00		**10.68%**

Industry Growth Rate (used for DGM Rate) **9.17%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	1.01
Industry Risk Premium	7.26%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**12.16%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	1.00
Industry Risk Premium	7.19%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**12.09%**

TELECOMMUNICATIONS I
INCLUDING WIRELESS COMMUNICATIONS

File: TELECOM1.XLS **01-Mar-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	D.G.M. Rate
AT&T Corp.	B	1.11	1.25	18.53		6.50	1.00	12.51%
ALLTEL Corp.	A	0.78	1.00	55.22	6.50	3.50	1.52	9.69%
BellSouth Corp.	A+	0.67	1.00	26.93	7.50	8.00	1.12	11.19%
CenturyTel Inc.	B++	0.89	1.10	33.42	7.50	7.50		
Citizens Communic.	B	1.11	1.00	13.77			1.00	14.50%
Nextel Communic. 'A'	B+	1.00	1.75	29.84				
SBC Communications	A+	0.67	1.05	24.64		3.50	1.30	12.38%
Sprint Corp.	B	1.11	1.05	23.96		7.00		
U.S. Cellular	B	1.11	1.10	47.51	8.50			
Verizon Communic.	A+	0.67	1.00	38.17			1.54	11.06%
Western Wireless 'A'	C+	1.33	1.40	37.83				
Mean		0.95	1.15		7.50	6.00		**11.89%**

Industry Growth Rate (used for DGM Rate) **6.75%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	1.15
Industry Risk Premium	8.30%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**13.20%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	0.95
Industry Risk Premium	6.83%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**11.73%**

TELECOMMUNICATIONS II

File: TELECOM2.XLS **01-Feb-05**

Discount or "Cost of Capital" Rates
For Discounting and "Yield Capitalization" Only

FOR: January 1, 2005

Company Name	Relative Financial Strength		Beta	Price	Proj. Earnings Growth	Proj. Dividend Growth	Current Div	D.G.M. Rate
Cincinnati Bell	C	1.44	1.65	4.10				NMF
Level 3 Communic.	C	1.44	1.55	2.93				NMF
Pac-West Telecom Inc	C+	1.33	1.25	1.30				NMF
Qwest Communic.	C+	1.33	1.70	4.29				NMF
Time Warner Telecom Inc	C+	1.33	2.20	3.50	13.92			NMF
US LEC Corp.	C+	1.33	1.05	3.04				NMF
Mean		1.37	1.57		13.92			**NMF**

Industry Growth Rate (used for DGM Rate) **13.92%**

CAPITAL ASSET PRICING MODEL (Realized Returns)

Market Risk Premium	7.19%
Industry Beta (Risk Factor)	1.57
Industry Risk Premium	11.26%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - CAPM	**16.16%**

RISK PREMIUM MODEL using ValueLine's Relative Financial Strength Rating

Market Risk Premium	7.19%
Industry Relative Financial Strength (Risk Factor)	1.37
Industry Risk Premium	9.83%
Add: Risk-Free Rate	4.90%
Cost of Equity Rate - Risk Premium	**14.73%**

CAPITALIZATION RATE STUDY

CAPITAL STRUCTURES

UTAH STATE TAX COMMISSION
PROPERTY TAX DIVISION

MAJOR AIRLINES

File: AIRMAJOR.XLS **01-Feb-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
AMR Corp.	14383.0	4150.0	13588.0	750.0	
Cont'l Airlines	5845.0	3146.0	5463.0	370.0	
Delta Air Lines	12766.0	4769.0	12214.0	650.0	280.0
Northwest Airlines 'A'	8538.0	4000.0	7944.0	504.0	249.0
Southwest Airlines	1943.0	1150.0	1606.0	43.0	
Mean	8695.0	3443.0	8163.0	463.4	264.5
Weighted or Total	43475.0	17215.0	40815.0	2317.0	529.0

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	**Tax Rate**	Market Value of Debt in (000,000) Rate Used = 6.10%
AMR Corp.		160,829,767	8.56		13896.00
Cont'l Airlines		66,465,311	9.73		6027.60
Delta Air Lines	19.0	127,504,135	6.19		12222.50
Northwest Airlines 'A'	0.3	86,533,358	8.32		8641.50
Southwest Airlines		779,583,386	15.15	37.53	1669.90
Mean	9.7	244,183,191		**37.53%**	8491.50
Weighted or Total	19.3				42457.50

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	**Percent Debt**	**Percent Preferred Equity**	**Percent Common Equity**
AMR Corp.	0.0	1,376.7	90.99%	0.00%	9.01%
Cont'l Airlines	0.0	646.7	90.31%	0.00%	9.69%
Delta Air Lines	296.0	789.3	91.84%	2.22%	5.93%
Northwest Airlines 'A'	4.7	720.0	92.26%	0.05%	7.69%
Southwest Airlines	0.0	11,810.7	12.39%	0.00%	87.61%
Mean	60.1	3,068.7	**75.56%**	**0.45%**	**23.99%**
Weighted or Total	300.7	15343.4	**73.07%**	**0.52%**	**26.41%**

SECONDARY AIRLINES

File: AIREGION.XLS **01-Feb-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
Alaska Air Group	1059.7	410.0	1007.6	45.0	
America West Hldg	756.7		606.5		
Mesa Air Group	754.2		553.2		
Mesaba Holdings					
Midwest Air Group	54.5	11.2	51.3	3.0	
SkyWest	507.7		474.3		
Mean	626.6	210.6	538.6	24.0	
Weighted or Total	3132.8	421.2	2692.9	48.0	0.0

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	**Tax Rate**	Market Value of Debt in (000,000) Rate Used = 6.10%
Alaska Air Group		26,886,515	29.92		966.30
America West Hldg		35,979,739	4.68		443.00
Mesa Air Group		31,704,625	6.65	40.41	449.90
Mesaba Holdings		20,482,609	9.17	46.63	
Midwest Air Group		17,469,881	2.90		53.60
SkyWest		57,447,189	17.43	38.92	286.30
Mean		31,661,760		**41.99%**	439.82
Weighted or Total	0.0				2199.10

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	**Percent Debt**	**Percent Preferred Equity**	**Percent Common Equity**
Alaska Air Group	0.0	804.4	54.57%	0.00%	45.43%
America West Hldg	0.0	168.4	72.46%	0.00%	27.54%
Mesa Air Group	0.0	210.8	68.09%	0.00%	31.91%
Mesaba Holdings	0.0	187.8	0.00%	0.00%	100.00%
Midwest Air Group	0.0	50.7	51.39%	0.00%	48.61%
SkyWest	0.0	1,001.3	22.24%	0.00%	77.76%
Mean	0.0	403.9	**44.79%**	**0.00%**	**55.21%**
Weighted or Total	0.0	2423.4	**47.57%**	**0.00%**	**52.43%**

AIR FREIGHT

File: AIRFREGT.XLS **01-Feb-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
AirNet Systems Inc	60.2		38.3		
AirTran Hldgs Inc	316.0		307.2		
FedEx Corp.	3574.0	2358.0	2744.0	145.0	
United Parcel Serv.	3761.0	2000.0	3145.0	200.0	
Mean	1927.8	2179.0	1558.6	172.5	
Weighted or Total	7711.2	4358.0	6234.5	345.0	0.0

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	**Tax Rate**	Market Value of Debt in (000,000) Rate Used = 6.10%
AirNet Systems Inc		10,109,000	3.50	43.00	36.90
AirTran Hldgs Inc		85,728,000	8.86		176.20
FedEx Corp.		300,571,051	94.12	39.00	3468.10
United Parcel Serv.		1,124,378,171	76.76	34.90	3804.00
Mean		380,196,556		**38.97%**	1871.30
Weighted or Total	0.0				7485.20

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	**Percent Debt**	**Percent Preferred Equity**	**Percent Common Equity**
AirNet Systems Inc	0.0	35.4	51.04%	0.00%	48.96%
AirTran Hldgs Inc	0.0	759.6	18.83%	0.00%	81.17%
FedEx Corp.	0.0	28,289.7	10.92%	0.00%	89.08%
United Parcel Serv.	0.0	86,307.3	4.22%	0.00%	95.78%
Mean	0.0	28,848.0	**21.25%**	**0.00%**	**78.75%**
Weighted or Total	0.0	115392.0	**6.09%**	**0.00%**	**93.91%**

ELECTRIC UTILITIES

File: ELECTRIC.XLS **01-Feb-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
Cinergy Corp.	5353.1	3270.2	3935.9	198.4	62.8
DPL Inc.	2130.1	594.0	2117.0	120.1	22.9
Empire Dist. Elec.	410.8	10.7	400.1	28.1	
IDACORP Inc.	1090.5	294.6	995.2	55.7	52.3
OGE Energy	1583.3	206.9	1533.8	96.6	
Puget Energy Inc.	2217.7	554.2	2105.3	162.1	1.9
Mean	2130.9	821.8	1847.9	110.2	35.0
Weighted or Total	12785.5	4930.6	11087.3	661.0	139.9

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	Tax Rate	Market Value of Debt in (000,000) Rate Used = 6.10%
Cinergy Corp.	3.4	181,244,979	40.47	24.69	5,139.1
DPL Inc.	0.9	126,501,404	23.98	38.84	2,075.4
Empire Dist. Elec.		25,624,057	21.55	34.49	437.9
IDACORP Inc.	3.4	38,188,622	29.75		1,058.5
OGE Energy		88,980,115	25.27	35.40	1,604.1
Puget Energy Inc.	0.1	99,486,648	23.81	36.64	2,431.5
Mean	2.0	93,337,638		**34.01%**	2,124.4
Weighted or Total	7.8				12746.5

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	Percent Debt	Percent Preferred Equity	Percent Common Equity
Cinergy Corp.	53.0	7,335.0	41.02%	0.42%	58.54%
DPL Inc.	14.0	3,033.5	40.51%	0.27%	59.20%
Empire Dist. Elec.	0.0	552.2	44.23%	0.00%	55.77%
IDACORP Inc.	53.0	1,136.1	47.09%	2.36%	50.55%
OGE Energy	0.0	2,248.5	41.64%	0.00%	58.36%
Puget Energy Inc.	1.6	2,368.8	50.64%	0.03%	49.33%
Mean	20.3	2,779.0	**44.19%**	**0.51%**	**55.29%**
Weighted or Total	121.6	16674.1	**43.15%**	**0.41%**	**56.43%**

GAS UTILITIES

File: GASUTIL.XLS **01-Feb-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
AGL Resources	1267.0	383.0	1216.0	65.0	
Atmos Energy	869.2	150.0	863.3	50.0	
Cascade Natural Gas	165.9	45.0	133.9	10.0	
Laclede Group	409.1	215.0	380.3	24.3	1.1
NICOR Inc.	885.3	680.0	495.1	40.0	1.8
Northwest Nat. Gas	582.6	125.0	484.9	33.0	
Peoples Energy	896.3	208.0	846.3	57.0	
Southwest Gas	1333.6	505.0	1264.7	79.0	
Mean	801.1	288.9	710.6	44.8	1.5
Weighted or Total	6409.0	2311.0	5684.5	358.3	2.9

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	**Tax Rate**	Market Value of Debt in (000,000) Rate Used = 6.10%
AGL Resources		65,363,168	32.15	35.94	1211.50
Atmos Energy		62,601,735	26.22	37.12	851.80
Cascade Natural Gas		11,268,000	20.41	34.22	178.50
Laclede Group	0.1	20,978,823	28.78	35.00	414.70
NICOR Inc.	0.1	44,084,022	35.70	35.21	930.40
Northwest Nat. Gas		27,422,949	32.80	33.67	606.80
Peoples Energy		37,630,892	42.44	36.28	931.00
Southwest Gas		36,059,272	24.16	30.48	1344.20
Mean	0.1	38,176,108		**34.74%**	808.61
Weighted or Total	0.2				6468.90

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	**Percent Debt**	**Percent Preferred Equity**	**Percent Common Equity**
AGL Resources	0.0	2,101.4	36.57%	0.00%	63.43%
Atmos Energy	0.0	1,641.4	34.16%	0.00%	65.84%
Cascade Natural Gas	0.0	230.0	43.70%	0.00%	56.30%
Laclede Group	1.1	603.8	40.67%	0.11%	59.22%
NICOR Inc.	1.6	1,573.8	37.13%	0.06%	62.81%
Northwest Nat. Gas	0.0	899.5	40.28%	0.00%	59.72%
Peoples Energy	0.0	1,597.1	36.83%	0.00%	63.17%
Southwest Gas	0.0	871.2	60.68%	0.00%	39.32%
Mean	0.3	1,189.8	**41.25%**	**0.02%**	**58.73%**
Weighted or Total	2.7	9518.2	**40.46%**	**0.02%**	**59.52%**

GAS PIPELINES

File: GASPIP2.XLS **01-Feb-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
Enterprise Products	5579.4	2500.0	4972.2	215.0	
Equitable Resources	869.5	246.9	617.9	45.0	
Kinder Morgan	3244.4	850.0	2626.8	120.0	
Kinder Morgan Energy	4740.1	625.0	4740.1	180.0	
National Fuel Gas	1304.4	607.0	1133.3	85.0	
Northern Border Partners LP	1363.2		1345.3		
Questar Corp.	995.5	350.0	933.2	70.0	
Mean	2585.2	863.2	2338.4	119.2	
Weighted or Total	18096.5	5178.9	16368.8	715.0	0.0

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	Tax Rate	Market Value of Debt in (000,000) Rate Used = 6.10%
Enterprise Products		361,986,867	26.57		5089.10
Equitable Resources		61,447,967	58.95	32.03	923.30
Kinder Morgan		123,879,969	72.02	39.06	2966.20
Kinder Morgan Energy		197,289,044	45.07		4007.60
National Fuel Gas		82,990,340	26.94	37.82	1392.20
Northern Border Partners LP		46,397,214	48.98		757.00
Questar Corp.		83,288,173	47.08	36.40	1072.50
Mean		136,754,225		**36.33%**	2315.41
Weighted or Total	0.0				16207.90

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	Percent Debt	Percent Preferred Equity	Percent Common Equity
Enterprise Products	0.0	9,618.0	34.60%	0.00%	65.40%
Equitable Resources	0.0	3,622.4	20.31%	0.00%	79.69%
Kinder Morgan	0.0	8,921.8	24.95%	0.00%	75.05%
Kinder Morgan Energy	0.0	8,891.8	31.07%	0.00%	68.93%
National Fuel Gas	0.0	2,235.8	38.37%	0.00%	61.63%
Northern Border Partners LP	0.0	2,272.5	24.99%	0.00%	75.01%
Questar Corp.	0.0	3,921.2	21.48%	0.00%	78.52%
Mean	0.0	5,640.5	**27.97%**	**0.00%**	**72.03%**
Weighted or Total	0.0	39483.5	**29.10%**	**0.00%**	**70.90%**

LIQUID PIPELINES

File: PETROLIN.XLS **01-Feb-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
Buckeye Partners L.P.	509.8		509.8	30.0	
Kaneb Pipe Line Part	662.2		662.2		
Kinder Morgan Energy	4740.1	625.0	4740.1	180.0	
TEPPCO Partners L.P.	1454.1	210.0	1454.1	75.0	
Mean	1841.6	417.5	1841.6	95.0	
Weighted or Total	7366.2	835.0	7366.2	285.0	0.0

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	**Tax Rate**	Market Value of Debt in (000,000) Rate Used = 6.10%
Buckeye Partners L.P.		34,522,660	42.80	NMF	501.80
Kaneb Pipe Line Part		28,327,590	60.60	NMF	366.30
Kinder Morgan Energy		197,289,044	45.07	NMF	4007.60
TEPPCO Partners L.P.		62,998,554	39.29	NMF	1363.00
Mean		80,784,462		**38.05%**	1559.68
Weighted or Total	0.0				6238.70

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	**Percent Debt**	**Percent Preferred Equity**	**Percent Common Equity**
Buckeye Partners L.P.	0.0	1,477.6	25.35%	0.00%	74.65%
Kaneb Pipe Line Part	0.0	1,716.7	17.59%	0.00%	82.41%
Kinder Morgan Energy	0.0	8,891.8	31.07%	0.00%	68.93%
TEPPCO Partners L.P.	0.0	2,475.2	35.51%	0.00%	64.49%
Mean	0.0	3,640.3	**27.38%**	**0.00%**	**72.62%**
Weighted or Total	0.0	14561.3	**29.99%**	**0.00%**	**70.01%**

RAILROADS

File: RAIL.XLS **01-Feb-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
Burlington Northern	6664.0	1972.0	6357.0	400.0	
CSX Corp.	7380.0	3034.0	7096.0	423.0	
Kansas City South'n	571.4	110.0	563.5	35.0	199.5
Norfolk Southern	7548.0	2500.0	7019.0	530.0	
Union Pacific	8159.0	2975.0	7996.0	550.0	
Mean	6064.5	2118.2	5806.3	387.6	199.5
Weighted or Total	30322.4	10591.0	29031.5	1938.0	199.5

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	Tax Rate	Market Value of Debt in (000,000) Rate Used = 6.10%
Burlington Northern		375,921,640	45.87	36.88	6738.60
CSX Corp.		214,829,471	38.53	33.71	7325.60
Kansas City South'n	8.8	62,721,681	16.45		575.50
Norfolk Southern		396,006,701	35.66	31.92	8160.80
Union Pacific		259,585,446	63.56	35.49	8513.00
Mean	8.8	261,812,988		**34.50%**	6262.70
Weighted or Total	8.8				31313.50

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	Percent Debt	Percent Preferred Equity	Percent Common Equity
Burlington Northern	0.0	17,243.1	28.10%	0.00%	71.90%
CSX Corp.	0.0	8,277.4	46.95%	0.00%	53.05%
Kansas City South'n	137.1	1,031.8	32.99%	7.86%	59.15%
Norfolk Southern	0.0	14,121.6	36.62%	0.00%	63.38%
Union Pacific	0.0	16,499.3	34.04%	0.00%	65.96%
Mean	27.4	11,434.6	**35.74%**	**1.57%**	**62.69%**
Weighted or Total	137.1	57173.2	**35.33%**	**0.15%**	**64.51%**

TELECOMMUNICATIONS I
INCLUDING WIRELESS COMMUNICATIONS

File: TELECOM1.XLS **01-Mar-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
AT&T Corp.	10463.0	3150.0	8881.0	605.0	
ALLTEL Corp.	5606.1	2425.0	5380.0	340.0	0.3
BellSouth Corp.	16190.0	8600.0	13142.0	800.0	
CenturyTel Inc.	2956.0	1400.0	2884.0	200.0	8.0
Citizens Communic.	4331.2	2000.0	4324.8	375.0	
Nextel Communic. 'A'	9126.0	1898.0	9102.0	600.0	105.0
SBC Communications	18242.0	8000.0	16539.0	1000.0	
Sprint Corp.	17452.0	3700.0	16038.0	1200.0	247.0
U.S. Cellular	1218.7	358.0	1160.7	65.0	
Verizon Communic.	40523.0	19600.0	37252.0	2175.0	
Western Wireless 'A'	2242.9	1500.0	2092.4	150.0	
Mean	11668.3	4784.6	10617.8	682.7	90.1
Weighted or Total	128350.9	52631.0	116795.9	7510.0	360.3

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	**Tax Rate**	Market Value of Debt in (000,000) Rate Used = 6.10%
AT&T Corp.		795,868,728	18.53	30.34	10874.40
ALLTEL Corp.	0.03	303,757,567	55.22	37.94	5670.20
BellSouth Corp.		1,831,761,229	26.93	34.47	16181.10
CenturyTel Inc.	0.40	134,571,043	33.42	35.67	3080.70
Citizens Communic.		335,451,474	13.77	34.38	4907.00
Nextel Communic. 'A'	9.0	1,111,287,428	29.84		9411.10
SBC Communications		3,315,400,000	24.64	32.88	18192.70
Sprint Corp.	8.00	1,470,967,716	23.96		18928.70
U.S. Cellular		86,357,107	47.51	47.08	1183.20
Verizon Communic.		2,768,958,346	38.17	31.41	40008.50
Western Wireless 'A'		99,969,814	37.83		2339.50
Mean	4.36	1,114,031,859		**35.52%**	11888.83
Weighted or Total	17.4				130777.10

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	**Percent Debt**	**Percent Preferred Equity**	**Percent Common Equity**
AT&T Corp.	0.0	14,749.0	42.44%	0.00%	57.56%
ALLTEL Corp.	0.4	16,773.5	25.26%	0.00%	74.73%
BellSouth Corp.	0.0	49,329.3	24.70%	0.00%	75.30%
CenturyTel Inc.	6.2	4,497.4	40.63%	0.08%	59.30%
Citizens Communic.	0.0	4,619.2	51.51%	0.00%	48.49%
Nextel Communic. 'A'	140.2	33,160.8	22.03%	0.33%	77.64%
SBC Communications	0.0	81,691.5	18.21%	0.00%	81.79%
Sprint Corp.	124.6	35,244.4	34.87%	0.23%	64.91%
U.S. Cellular	0.0	4,102.8	22.38%	0.00%	77.62%
Verizon Communic.	0.0	105,691.1	27.46%	0.00%	72.54%
Western Wireless 'A'	0.0	3,781.9	38.22%	0.00%	61.78%
Mean	24.7	32,149.2	**31.61%**	**0.06%**	**68.33%**
Weighted or Total	271.4	353640.9	**26.98%**	**0.06%**	**72.96%**

TELECOMMUNICATIONS II

File: TELECOM2.XLS **01-Feb-05**

Capital Structure at Market Value

FOR: January 1, 2005

Company Name	Total Debt (000,000)	Debt Due in 5 yrs (000,000)	Long-Term Debt (000,000)	Long-Term Interest (000,000)	Preferred Stock (000,000)
Cincinnati Bell	2186.2	640.0	2175.6	200.0	129.4
Level 3 Communic.	5176.0	2770.0	5032.0	435.0	
Pac-West Telecom Inc	66.8		63.8		
Qwest Communic.	17197.0	6590.0	16545.0	1300.0	
Time Warner Telecom Inc	1249.5		1249.5		
US LEC Corp.	149.3		149.3		257.1
Mean	4337.5	3333.3	4202.5	645.0	193.3
Weighted or Total	26024.8	10000.0	25215.2	1935.0	386.5

Company Name	Preferred Dividends (000,000)	Common Shares Outstdng	Recent Price	**Tax Rate**	Market Value of Debt in (000,000) Rate Used = 6.10%
Cincinnati Bell	10.4	245,627,381	4.10	65.93	2588.40
Level 3 Communic.		685,444,425	2.93		5802.80
Pac-West Telecom Inc		36,687,668	1.30		37.40
Qwest Communic.		1,815,907,850	4.29		18840.90
Time Warner Telecom Inc		115,784,570	3.50		691.20
US LEC Corp.	0.0	30,086,000	3.04		82.60
Mean	5.2	488,256,316		**38.05%**	4673.88
Weighted or Total	10.4				28043.30

Company Name	Market Value of Pfd Equity in (000,000) Rate Used = 6.42%	Market Value of Cmn Equity (000,000)	**Percent Debt**	**Percent Preferred Equity**	**Percent Common Equity**
Cincinnati Bell	162.0	1,007.1	68.89%	4.31%	26.80%
Level 3 Communic.	0.0	2,009.4	74.28%	0.00%	25.72%
Pac-West Telecom Inc	0.0	47.7	43.95%	0.00%	56.05%
Qwest Communic.	0.0	7,790.2	70.75%	0.00%	29.25%
Time Warner Telecom Inc	0.0	405.2	63.04%	0.00%	36.96%
US LEC Corp.	0.0	91.5	47.44%	0.00%	52.56%
Mean	27.0	1,891.9	**61.39%**	**0.72%**	**37.89%**
Weighted or Total	162.0	11351.1	**70.89%**	**0.41%**	**28.70%**