



Capitalization

Capital Structure

	Actual 9/30/04			Actual 6/30/04		
	Debt	Equity	Total	Debt	Equity	Total
Balance Sheet Capitalization						
Long-term Debt	12,637	-	12,637	13,398	-	13,398
Short-term Debt	214	-	214	596	-	596
Preferred Stock Subject to Mandatory Redemption	72	-	72	72	-	72
Preferred Stock Not Subject to Mandatory Redemption	-	61	61	-	61	61
Common Equity	-	8,283	8,283	-	8,083	8,083
Total Capitalization per Balance Sheet	12,923	8,344	21,267	14,066	8,144	22,210
<i>% of Capitalization per Balance Sheet</i>	<i>60.8%</i>	<i>39.2%</i>	<i>100.0%</i>	<i>63.3%</i>	<i>36.7%</i>	<i>100.0%</i>
Adjustments						
Preferred Stock Subject to Mandatory Redemption	(72)	72	-	(72)	72	-
Defeased First Mortgage Bonds	(112)	-	(112)	(112)	-	(112)
Off-balance Sheet Leases	1,234	-	1,234	1,234	-	1,234
Securitization Bonds	(698)	-	(698)	(718)	-	(718)
Spent Nuclear Fuel Trust	(228)	-	(228)	(227)	-	(227)
Equity Credit for Equity Units	(276)	276	-	(276)	276	-
Total Adjusted Capitalization	12,771	8,692	21,463	13,895	8,492	22,387
<i>% of Adjusted Capitalization</i>	<i>59.5%</i>	<i>40.5%</i>	<i>100.0%</i>	<i>62.1%</i>	<i>37.9%</i>	<i>100.0%</i>
Assuming Available Cash is used to Pay Down Debt	(1,282)	-	(1,282)	(858)	-	(858)
Capitalization net of Cash	11,489	8,692	20,181	13,037	8,492	21,529
<i>% of Capitalization net of Cash</i>	<i>56.9%</i>	<i>43.1%</i>	<i>100.0%</i>	<i>60.6%</i>	<i>39.4%</i>	<i>100.0%</i>

**Adjusted Debt-to-Cap of 59.5% at 9/30/04
Meets 2004 Target to Reach Debt-to-Cap < 60%**