

- Q. (Re: p. 36, lines 11-12)
Dr. Kalymon concludes, "Given the current market conditions and assuming a deemed equity component of 40%, I would recommend a provision of 8.75% to 9.25%."
- Would Dr. Kalymon please specify the market conditions which led him to increase the return on equity from 8.50%-9.0% to 8.75%-9.75%?
- A. There is no increase of return on equity from "8.50-9.0% to 8.75%-9.25%" as stated in the question. The recommendation is focused on the center of the range from 8.50% to 9.50% as stated on page 36 line 8.