

1 Q. Please reconcile the \$11.108 million return on regulated equity in Bradbury
2 Schedule I page 6, with the \$9.362 million in return on regulated equity from
3 the Cost of Service study Schedule 1.1 page 2 line 22.
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6 A. The requested reconciliation is as follows:

				<u>(\$thousands)</u>
Return on Equity, Exhibit RDG-1, page 2 of 108 line 22, column 2				
Rural Assets	212,593	x 0.00%		\$ 0
Other Ratebase Assets	<u>1,278,590</u>	x 14.08% x 5.205%		<u>9,362</u>
	1,491,183			\$ 9,362
Equity return on mid-year balance of:				
Work in Progress	3,246	x 14.08% x 5.205%		24
Rate Stabilization Plan	13,582	x 14.08% x 5.205%		100
Financing charges on overdue accounts				493
Excess of total capital structure over assets ¹				
	(1,517,228 - 1,508,011)	x 83.51% x 8.387%		(646)
Differences due to timing of cash flows				<u>740</u>
Return on Equity, as corrected (refer to NP 29 NLH)				<u>\$10,073</u>

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21 ¹ Total capital structure exceed assets due to 13-month averages being
22 used for fuel and supplies, and a lead lag study to determine working
23 capital requirements, rather than simple balance sheet averages. See also
24 response to IC 134 NLH.