

- 1 **Q. Provide the reduction in the proposed 2019 and 2020 revenue requirements and the**  
 2 **impact on customer rates if the return on equity is set at 8.75%, 9.0% and 9.25%**  
 3 **with no other change from the proposals in the Application.**  
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 5 A. Table 1 provides the forecast reduction in the proposed 2019 and 2020 revenue  
 6 requirements and the *pro forma* impacts on customer rates at a return on equity of 8.75%,  
 7 9.0% and 9.25%.  
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**Table 1**  
**2019 and 2020 Pro Forma Revenue Requirement Impacts**  
**At a Return on Equity of 8.75%, 9.00% and 9.25%**

Return on Equity (%)	Reduction in 2019 Revenue Requirement <sup>1</sup> (\$millions)	Reduction in 2020 Revenue Requirement <sup>1</sup> (\$millions)	Estimated Reduction in Customer Rates <sup>2</sup> (%)
9.25	(1.7)	(2.3)	(0.3)
9.00	(3.4)	(4.5)	(0.7)
8.75	(5.1)	(6.6)	(1.0)

<sup>1</sup> The reduction in revenue requirement reflects the impact of the estimated change in the revised 2019 deferred cost recovery.

<sup>2</sup> The customer rate impact assumes no change in elasticity or RSA. The change in MTA revenue was calculated using the 2020 proposed MTA factor of 2.75%.