

1 Q. Please provide the 2014 forecast of return on rate base that Hydro considered prior
2 to the filing of its 2013 General Rate Application.

3

4

5 A. As per the 2013 GRA filing, Section 3, Finance Schedule II, Hydro's 2013 forecast of
6 12 months existing rates resulted in a rate of return on rate base of 6.68%. It was
7 anticipated that Hydro's rate of return on rate base would further deteriorate in
8 2014 if Hydro did not get approval for new rates due to increases in operating
9 expenses and no known significant reduction in other costs. Assuming existing
10 rates for 2014, Hydro's forecast rate of return on rate base is 5.84%.