

1 Q. Provide a comparison of the estimated forecast 2014 return on equity assuming i)
2 the proposals in the General Rate Application are implemented on January 1, 2014;
3 ii) the proposals in the Interim Rates Application are implemented on January 1,
4 2014 and General Rate Application proposals are implemented on July 1, 2014; and
5 iii) the proposals in the Interim Rates Application are not approved and the General
6 Rate Application proposals are implemented on July 1, 2014.

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9 A. Please refer to the table below:
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	2014	2014	2014
	PUB-21 (i)	PUB-21 (ii)	PUB-21 (iii)
	Scenario	Scenario	Scenario
Net Income	\$ 33,211	\$ 28,563	\$ 14,063
Opening Retained Earnings	<u>\$ 337,397</u>	<u>\$ 337,397</u>	<u>\$ 337,397</u>
Ending Retained Earnings	\$ 370,608	\$ 365,960	\$ 351,460
 Average Equity	 \$ 354,002	 \$ 351,679	 \$ 344,428
Return on Equity %	9.38%	8.12%	4.08%
Rate of Return on Rate Base %	7.49%	7.27%	6.45%
 Proposed Rate of Return on Rate Base %	 7.83%	 7.83%	 7.83%