

1 **Volume 1, Section 2 – Customer Operations (sic)\***  
2

3 **Q. At Exhibit 10 entitled “2008 Forecast Capital Structure and Return on Rate Base”**  
 4 **line 28 shows a proposed Regulated Return on Equity of \$37,341,000 for 2008.**  
 5 **Please provide a table comparing the requested 2008 return on equity in terms of**  
 6 **both dollar amount and percentage increase to the actual Earnings Applicable to**  
 7 **Common Shares for 2002, 2003, 2004, 2005 and 2006 and the forecast Earnings**  
 8 **applicable to Common Shares for 2007.**

9  
 10 **A. Table 1 provides the comparison of the 2008 regulated return on common equity to**  
 11 **actual returns for the period 2002 to 2006 and the forecast returns for 2007.**  
 12  
 13

**Table 1**  
**Proposed vs. Historical Returns**  
**2002 to 2008F**

	<u>Return on Equity</u>		<u>Difference</u>	
	<u>(\$000s)</u>	<u>(%)</u>	<u>(\$000s)</u>	<u>(%)</u>
<b>2008F</b>	<b>37,341</b>	<b>10.25</b>	-	-
2007F	29,777	8.61	7,564	1.64
2006	31,227	9.46	6,114	0.79
2005	32,568	9.60	5,773	0.65
2004	32,088	10.12	5,253	0.13
2003	30,415	10.22	6,926	0.03
2002	29,518	10.65	7,823	(0.40)

14  
 15  
 16 \*Refer to Volume 1, Section 3 – Finance.