

1 **Section 3: Finance/Fair Return**

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3 **Q. Provide the reduction in the proposed 2025 and 2026 revenue requirement and the**  
 4 **impact on customer rates if the return on equity is set at 8.25%, 8.5%, 8.75%, 9.0%,**  
 5 **9.25% and 9.5% with no other change from the proposals in the Application.**

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7 **A.** Table 1 provides the *pro forma* impact on proposed 2025 and 2026 revenue requirements  
 8 and proposed customer rates for the return on equity (“ROE”) scenarios requested.

**Table 1:**  
**2025 and 2026 Pro Forma**  
**Revenue Requirement and Customer Rate Impacts**

ROE (%)	2025 PF (\$millions)	2026 PF (\$millions)	Customer Rates (%) <sup>1</sup>
8.25	(14.6)	(14.8)	(1.8)
8.50	(12.3)	(13.0)	(1.6)
8.75	(10.0)	(10.2)	(1.2)
9.00	(7.7)	(7.8)	(1.0)
9.25	(5.4)	(5.5)	(0.7)
9.50	(3.0)	(3.2)	(0.4)

<sup>1</sup> Includes MTA impact but excludes elasticity changes related to *pro forma* change in customer rates.