

1 **Section 1: Introduction**

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3 **Q. Volume 1, Section 1, page 1-7, lines 3-5. Provide a table that shows the amount of**
 4 **each category of cost that contributes to the i) proposed 5.5% increase in customer**
 5 **rates reflected in the Application and ii) the projected 9.8% increase as set out in**
 6 **Additional Information, PUB Information Request (i), Schedule A, page 3 of 5,**
 7 **Table 1, Scenario B, if the supply costs are rebased.**

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9 **A.** Table 1 provides the requested customer rate breakdowns.

Table 1:
Customer Rate Increase Breakdown

	Amount (\$millions)	Change (%)
Costs since last general rate application (“GRA”) ¹		
Continued Investment ²	18.3	2.2
Operating Costs ³	13.4	1.6
GRA Proposals ⁴	9.8	1.2
Sales growth	(8.9)	(1.1)
	32.6	3.9
Higher return on equity ⁵	13.0	1.6
Proposed customer rate increase	45.6	5.5
Rebasing of power supply energy costs scenario ⁶	36.3	4.3
Proposed customer rate increase with rebasing scenario	81.9	9.8

¹ Cost changes since the last GRA reflect the change in the proposed 2026 test year revenue requirement from the 2023 test year revenue requirement approved by the Board in Order No. P.U. 3 (2022).

² Continued Investment includes the change in return on rate base and depreciation. It excludes other effects of continued investment, such as lower power supply and operating costs and sales impacts resulting from capital projects.

³ Operating Costs includes other revenue requirement items (e.g. rebasing of Employee Future Benefits costs, Municipal Tax adjustments, etc.) which combine for a customer rate impact of less than 0.1%.

⁴ GRA Proposals includes amortizations associated with the 2024 and 2025 revenue shortfall and GRA hearing costs.

⁵ Impact of proposed increase in the rate of return on equity from 8.50% to 9.85%.

⁶ See *PUB Information Request (i), Schedule A, Attachment 1*. The total change in customer billings in the rebasing scenario (B) of \$81,845 less the total change in customer billings in the proposed scenario (A) of \$45,556 equals \$36,289. The customer rate impact in the rebasing scenario (B) of 9.8% less the customer rate impact in the proposed scenario (A) of 5.5% equals 4.3%.