

1 **Q. Recalculate BVP-19 assuming that the PUB disallowed assets valued at \$10 million**  
2 **from the ratebase. Provide details of all changes that would result.**

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4 A. Attachment A contains a recalculation of Exhibit BVP-19, page 2 of 2, for 2003 proposed  
5 assuming that the Public Utilities Board disallowed \$10,000,000 from average rate base.

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7 For the purposes of determining the return on average rate base, a disallowance of assets  
8 will result in both a reduction to average rate base and average invested capital.

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10 For more detail on the effects of disallowance of assets from average rate base, please  
11 refer to the Response to Request for Information PUB-261.