NLH-234
(1 <sup>st</sup> Revision)
February 12, 2003
NP 2003 GRA

1 2 3	Q.	Recalculate BVP-19 assuming that the PUB disallowed assets valued at \$10 million from the ratebase. Provide details of all changes that would result.
4 5 6	A.	Attachment A contains a recalculation of Exhibit BVP-19, page 2 of 2, for 2003 proposed assuming that the Public Utilities Board disallowed \$10,000,000 from average rate base.
7 8 9		For the purposes of determining the return on average rate base, a disallowance of assets will result in both a reduction to average rate base and average invested capital.
10 11		For more detail on the effects of disallowance of assets from average rate base, please refer to the Response to Request for Information PUB-261.