Return on Incremental Rate Base
($ 000)

(A)	(B)	(C)	(D)	(E)	(F)
	Rate Year 1	Rate Year 2	Rate Year 3	Rate Year 4	
Return on Incremental Rate Base	7/1/2027	7/1/2028	7/1/2029	7/1/2030	
Incremental Average Rate Base, $ Millions	$346	$353	$376	$400	Per Company model filed as EOE-156, Attachment 1, post year-end 2026
Pretax Percentage Return on Rate Base	9.04%	9.04%	9.04%	9.04%	Line 39, Column D
Pretax Return on Rate Base, $ Millions	$31	$32	$34	$36	Line 14 x Line 15

Income Tax		
State Income Tax	8.25%	
Federal Income Tax	21.00%	
Combined Statutory Tax Rate	27.52%	(1 - Line 20) x Line 21 + Line 20
Tax Gross-up	1.3796	1 / (1 - Line 22)

Cost of Capital (After-Tax)			After-Tax	
Weighted Costs of Capital	Weight	Cost	Weighted Cost	
Common Equity	53.00%	9.25%	4.90%	Return on equity and equity capitalization as currently authorized
Preferred Stock	0.90%	4.75%	0.04%	Exhibit CLP-REVREQ-2, Schedule D-1.0, Line 20
Long-term Debt	46.10%	4.81%	2.22%	Exhibit CLP-REVREQ-2, Schedule D-1.0, Line 16
Weighted cost of capital			7.16%	Line 28 + Line 29 + Line 30
Weighted Cost of Debt and Preferred			*2.26%*	Line 29 + Line 30

Cost of Capital (Pre-Tax)			Pre-Tax	
Weighted Costs of Capital	Weighted Cost	Tax Gross-up	Weighted Cost	
Common Equity	4.90%	1.380	6.76%	Line 36 column (B) x Line 36 column (C)
Preferred Stock	0.04%	1.380	0.06%	Line 37 column (B) x Line 37 column (C)
Long-term Debt	2.22%	1.000	2.22%	Line 38 column (B) x Line 38 column (C)
Weighted cost of capital	7.16%		9.04%	Line 36 + Line 37 + Line 38