

# TAB 12

Rate of Return (RoR) Information

Puc 1604.08

Rate of Return Information

Overall Rate of Return	Actual				Proforma		
	Component Ratio	Component Cost Rate	Wght Avg Cost Rate		Component Ratio	Component Cost Rate	Wght Avg Cost Rate
Equity Capital	40.94%	9.95%	4.07%		34.62%	10.44%	3.61%
Long Term Debt	59.06%	2.88%	1.70%		65.38%	2.98%	1.95%
Total Capital	100.00%		5.78%		100.00%		5.56%

Capital Structure	2019 Actual Amounts	2019 Actual Ratios		2019 Proforma Amounts	2019 Proforma Ratios
Common Stock	\$ 16,767	0.22%		\$ 16,767	0.17%
Other Paid in Capital	4,054,354	53.16%		4,354,354	44.05%
Retained Earnings	(949,024)	-12.44%		(949,024)	-9.60%
Total Equity	\$ 3,122,097	40.94%		\$ 3,422,097	34.62%
Long Term Debt	\$4,504,424	59.06%		\$6,463,358	65.38%
Total Capital	\$ 7,626,521	100.00%		\$ 9,885,455	100.00%

Capital Structure for 2019 - 2017	2019 Amounts		2018 Amounts		2017 Amounts
Common Stock	\$ 16,767		\$ 16,767		\$ 16,767
Other Paid in Capital	4,054,354		3,554,354		3,154,354
Retained Earnings	(949,024)		(897,056)		(759,974)
Total Equity	\$ 3,122,097		\$2,674,065		\$ 2,411,147
Long Term Debt	\$4,504,424		\$3,658,170		\$ 3,893,007
Total Capital	\$ 7,626,521		\$6,332,235		\$ 6,304,154

<b>Capital Structure Ratios for 2019 - 2017</b>		2019 Ratios		2018 Ratios		2017 Ratios
Common Stock		0.22%		0.26%		0.27%
Other Paid in Capital		53.16%		56.13%		50.04%
Retained Earnings		-12.44%		-14.17%		-12.06%
Total Equity		40.94%		42.23%		38.25%
Long Term Debt		59.06%		57.77%		61.75%
Total Capital		100.00%		100.00%		100.00%

**Cost of Common Equity Capital**

The Company is utilizing the Commission determined cost of common equity of 9.69% plus .50% for rate case expense savings adder, plus .00% for capital structure adder, plus .25% for exemplary performance adder.