

in the Step adjustment. RR-Step (CU), line 38 is set to zero, and this reduces the percentage on line 41 and the costs in the Step on line 24.

These changes reduced the Step increase by \$6,753.

5. Remove Components of Insurance Expense from Step

This item is discussed in the response to Staff 10-20.

This adjustment removes the following portions of insurance expense from the Step, because they are not closely related to Plant in service: Fiduciary Liability, Employment, Workers Compensation and a portion of the brokerage fee. The amount removed is shown on RR-Step (CU), line 37, and this reduces the percentage on line 41 and the costs in the Step on line 24.

These changes reduced the Step increase by \$340.