

The second scenario is referred to as the High Case. The assumptions made in this Case are the same as the Base Case, but capital expenditures are assumed to be reduced by an additional 10% in years 3 to 10. These savings could arise from IT system scale optimization (e.g. telecommunications, HR, financial etc.), the avoidance of significant costs for improvements to redundant buildings and facilities, and strengthening purchasing economies of scale.

Table 3 below provides the results of the Base and High capital savings analysis.

**TABLE 3—CAPITAL EXPENDITURE FORECAST WITH TRANSACTION
 SHOWING BASE AND HIGH POTENTIAL COST SCENARIOS**

\$Million	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Base	19.4	16.2	14.7	14.1	15.3	17.6	16.9	17.8	16.9	17.3
High	19.4	16.2	13.2	12.7	13.8	15.8	15.2	16.0	15.2	15.6

OM&A Comparative Cost Forecast

Operating, maintenance and administrative (“OM&A”) cost forecast information for the “without transaction” and “with transaction” assumptions is presented in this section.

Table 4 below provides a forecast of GLPT’s average annual OM&A costs estimated for each year of the rebasing deferral period. The forecast is based on GLPT’s 2017 and 2018 forecast and adjusted for inflation for the subsequent years.

**TABLE 4 –GLPT OM&A COST FORECAST
 WITHOUT TRANSACTION**

\$Million	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
OM&A	11.5	11.7	11.9	12.2	12.4	12.7	12.9	13.2	13.4	13.7

Similar to the Capital Expenditures assessment, the “with transaction” OM&A forecast has been developed using the assumption that GLPT will continue to operate on a stand-alone basis during 2017 and 2018. After 2018, the areas in which OM&A savings are expected relate to scale and