

1 Q. Is the proposed return on equity of 10.75% based on what an investor owned
2 utility would need in order to achieve and maintain a sound credit in the
3 financial markets of the world? (**JCR p. 7, line 11**)
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6 A. The proposed return on equity is related directly to the risks to the equity
7 holder's investment in Hydro. For a more detailed discussion, please refer to
8 responses PUB-85 NLH and PUB-86 NLH.