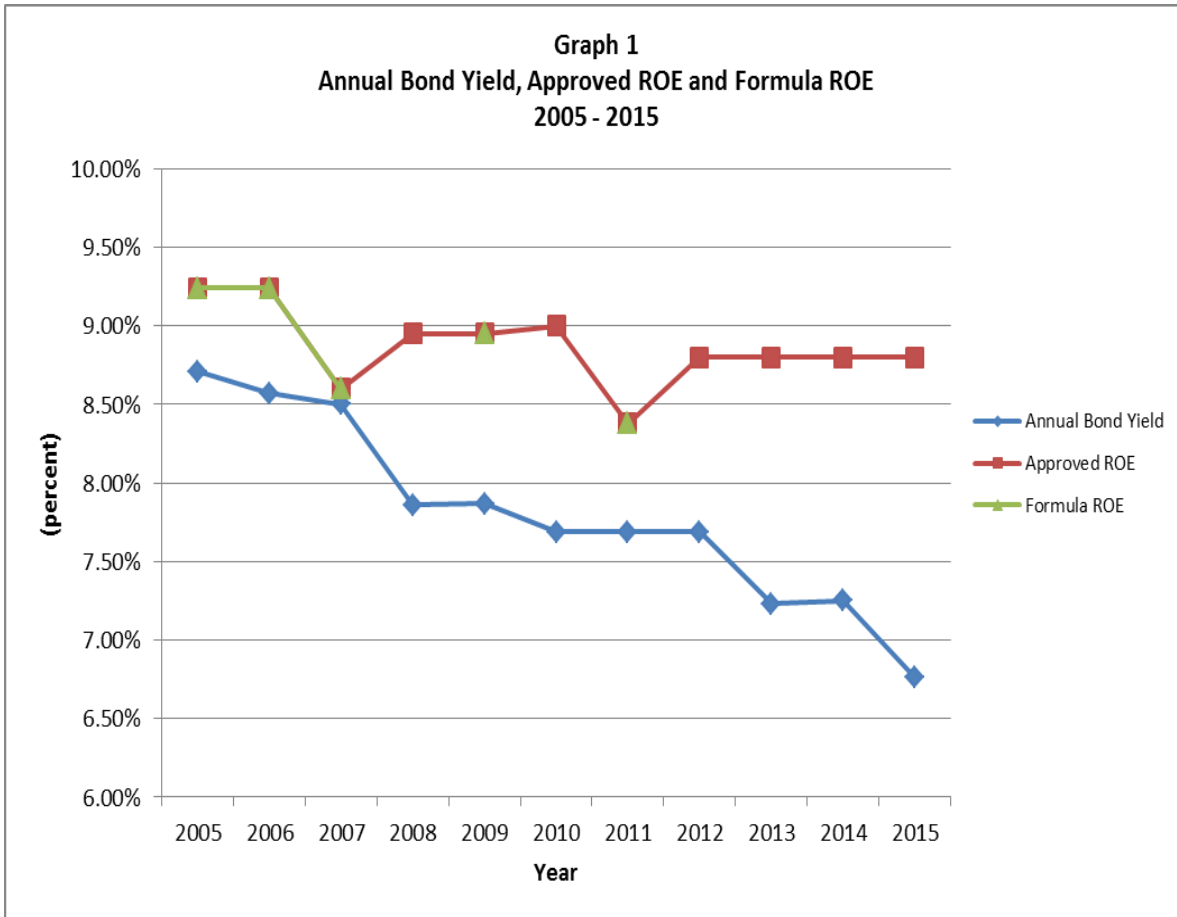


1 **Q. Please graph the average annual yield on the company’s debt, the actual allowed**
2 **ROE and the allowed ROE emanating from the ROE adjustment formula for each**
3 **year since 2005.**
4

5 A. Graph 1 shows Newfoundland Power’s average annual yield on its long term bonds, the
6 approved ratemaking rate of return on equity and the rate of return on equity resulting
7 from the use of the formula since 2005.¹
8
9



10

¹ Newfoundland Power’s rate of return on equity was set using the formula in 2005, 2006, 2007, 2009 and 2011. The rate of return on equity for 2008, 2010 and 2013-2015 were set in a general rate application. The rate of return on equity for 2012 was set through a settlement agreement following suspension of the formula by the Board in Order No. P.U. 25 (2011).