

1 **Q. Reference: Dr. Booth Evidence, Page 72, Lines 23-26: Please explain the**
2 **basis for Dr. Booth's decision to use Alberta as the benchmark for measuring the**
3 **reasonableness of equity cost rates and capital structures in Newfoundland and**
4 **Labrador.**

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6 A. Dr. Booth references the AUC simply because the AUC had a similar generic
7 hearing as the NEB and detailed its criteria. Further, the AUC regulates a varied group of
8 utilities from electric transmission and distribution, gas distribution and mainline gas
9 pipelines as well as tax paying and non-tax paying (public) entities. Consequently the
10 AUC decision reflects a more comprehensive analysis than has been performed by most
11 jurisdictions.