

- 1 **Q. Further to PUB-NP-035, is it Newfoundland Power’s view that all the investor-**
2 **owned Canadian utilities referred to in the response are of average risk while it is**
3 **above average risk?**
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- 5 A. Newfoundland Power has not undertaken a review of the risk profiles of all the investor-
6 owned Canadian utilities referred to in the response to Request for Information
7 PUB-NP-035.
8
- 9 Newfoundland Power engages cost of capital experts to assess its risk relative to peers.
10 Newfoundland Power is not practically in a position to make such assessments itself.
11 However, the Company observes that in the *2013/2014 General Rate Application*, the
12 Company sought a ratemaking return on equity of 10.4 % on 45% common equity based,
13 in part, upon the evidence of Ms. Kathleen McShane and Dr. James Vander Weide. In
14 the *2016/2017 General Rate Application*, the Company seeks a return on equity of 9.5 %
15 on 45% common equity based upon the evidence of Mr. James Coyne.
16
- 17 Please see the response to Request for Information PUB-NP-086.