

1 **Q.** Reference: *Fair Return for Newfoundland Power (NP)*, Evidence of
2 Laurence D. Booth, September 28, 2021, page 85, lines 3-4.

3
4 *“This would mean 3.3-3.4% long run growth rates based on a 5% GDP*
5 *growth rate, and a DCF equity cost of 6.8-6.9% when added to their current*
6 *typical dividend yield of 3.4%.”*

7
8 **Please provide current market data for Canadian and U.S. utilities that**
9 **would support a dividend yield of 3.4%.**

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12 **A.** The average dividend yield for US electric utilities as of August 11, 2021 is
13 provided in Dr. Booth’s Appendix D Schedule 12 and the average and median
14 were both about 3.40%. Dr. Booth did not use the dividend yield for Canadian
15 utilities. On October 18, 2021 the dividend yields were as below for the US
16 utilities, indicating an increase of 10-15 basis points in line with increases in
17 U.S interest rates.

	October 18
Duke Energy	3.85
Allete Inc.,	3.91
Eversource	2.79
OGE Energy	4.73
Pinnacle West	4.81
Evergy	3.33
Alliant	2.81
American Electric	3.5
Entergy	3.7
Southern	4.09
Excelon	3.08
POR	3.42
PNM	2.6
Average	3.59
Median	3.50