

1 **Q. Company Evidence, p. 3: At p. 3 the Company states, “Operation of the Formula**  
2 **for 2011 resulted in an estimated return on equity for Newfoundland Power of**  
3 **8.38%<sup>4</sup>. This was the lowest ratemaking return on equity for a Canadian investor**  
4 **owned electric utility for 2011<sup>5</sup>.” Please confirm that NP’s stated return for 2011**  
5 **was just and reasonable and met the fair return standard in all respects.**

6  
7 A. Not confirmed.

8  
9 The 8.38% return on equity for 2011 which was the result of the operation of the  
10 automatic adjustment formula was the lowest ratemaking return on equity for a Canadian  
11 investor-owned electric utility for 2011. It is not Newfoundland Power’s evidence that  
12 the 8.38% ratemaking return for 2011 was just and reasonable and met the fair return  
13 standard in all respects.