

1 **Q. Evidence of Dr. Vander Weide: What does Dr. Vander Weide know about the**
2 **quality and level of regulatory support that Newfoundland Power receives in this**
3 **province and what is/are his source(s) of knowledge?**
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5 A. Dr. Vander Weide is aware that Newfoundland Power has cost recovery and rate
6 stabilization mechanisms that reduce some of the difference between the Company's
7 earned and allowed ROEs. He is also aware that Newfoundland Power's ROE is less
8 than that generally allowed to other Canadian utilities and is significantly less than the
9 average allowed ROE for U.S. utilities. In addition, Dr. Vander Weide is aware that
10 Newfoundland Power's credit ratios are somewhat lower than the credit ratios of many
11 other electric utilities. Dr. Vander Weide's knowledge of Newfoundland Power's
12 regulatory support is based on his reading of annual reports, the evidence presented by
13 Newfoundland Power in this proceeding, credit reports of DBRS and Moody's, and
14 previous decisions of the Board.