

Q. Vander Weide Evidence – What are the five least supportive regulatory jurisdictions in the U.S. and what are the current allowed returns on equity for electric utilities in these jurisdictions?

A. According to RRA, the least supportive regulatory jurisdictions include Connecticut, Delaware, District of Columbia, Illinois, Maine, Maryland, Massachusetts, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, and Texas. The following table shows allowed returns on equity for electric utilities determined in these jurisdictions to date in 2012.

**TABLE 1
ALLOWED RETURN ON EQUITY FOR ELECTRIC UTILITIES
IN LEAST SUPPORTIVE REGULATORY JURISDICTIONS IN 2012**

State	Company	Case No.	Date	Return on Equity
District of Columbia	Potomac Electric Power Co.	FC-1087	26-Sep-12	9.5
Illinois	Commonwealth Edison Co.	D-11-0721	29-May-12	10.05
Illinois	Ameren Illinois	D-12-0001	19-Sep-12	10.05
Maryland	Delmarva Power & Light Co.	C-9285	20-Jul-12	9.81
Maryland	Potomac Electric Power Co.	C-9286	20-Jul-12	9.31
New Jersey	Atlantic City Electric Co.	D-ER-11080469	23-Oct-12	9.75
New York	Orange & Rockland Utlts Inc.	C-11-E-0408	14-Jun-12	9.4
Texas	Lone Star Transmission LLC	D-40020	12-Oct-12	9.6

These data along with the data provided in response to CA-NP 203 support the conclusion that allowed ROE is a major determinant of regulatory ranking. That is, companies in jurisdictions with relatively low ROEs are considered by SNL Financial to have low regulatory support and high regulatory risk, whereas companies in jurisdictions with relatively high ROEs are considered by SNL Financial to have high regulatory support and thus low regulatory risk.