

1 **Q. Vander Weide Evidence (page 22) - Dr. Vander Weide states that, “If a utility’s**
2 **allowed ROE is less than its required ROE, the utility may have high regulatory**
3 **risk, even if it is able to earn its allowed ROE.” Please state all instances when**
4 **Newfoundland Power has been unable to earn its allowed ROE.**

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6 A. Dr. Vander Weide understands that Newfoundland Power has generally been able to earn
7 its allowed ROE since 1996. Prior to this, there were a number of years in the early
8 1990s when Dr. Vander Weide understands that Newfoundland Power was unable to earn
9 its allowed ROE.

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11 However, as Dr. Vander Weide’s quoted statement indicates, a utility may have high
12 regulatory risk, even if it is able to earn its allowed ROE.