

- 1 **Q. In Fortis Inc.'s 2011 Annual Report it states at p. 12,**  
2  
3 **“The Corporation’s first priority remains the continued profitable expansion of**  
4 **existing operations. Consolidated midyear regulated utility rate base of Fortis grew**  
5 **at a compound annual growth rate of 6.1% for 2007 to 2011.”**  
6  
7 **Over the same time period, what has been the compound annual growth rate of**  
8 **Newfoundland Power’s rate base?**  
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10 **A. Table 1 provides the compound annual growth rate of Newfoundland Power’s average**  
11 **rate base for the period 2007 through 2011.**  
12  
13

**Table 1**  
**Compound Annual Growth Rate of**  
**Average Rate Base**  
**(\$000's)**

	<b>2007</b>	<b>2011</b>
Average Rate Base	788,556	876,356
Compound Annual Growth Rate <sup>1</sup>		2.7%

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<sup>1</sup> Equals  $(\$876,356,000 / \$788,556,000)^{(1/4)} - 1$