

1 **Q. 2013-2014 General Rate Application, Company Evidence**

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3 **Pg. 3-16 - It is noted that Newfoundland Power's principal business, regulatory and**
4 **financial risks have not changed materially since 1998. Is it Newfoundland Power's**
5 **view that the required return on equity has increased since 2010 and 2012 due only**
6 **to changes in financial market conditions?**
7

8 A. It is Newfoundland Power's view that the required return on equity has increased since
9 the change in financial market conditions commencing in 2008.