

- 1 **Q. 2013-2014 General Rate Application, Company Evidence**
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3 **Pgs. 3-29 to 3-30 - How does Newfoundland Power’s capital structure compare to**
4 **other Canadian utilities in 2012?**
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6 A. In 2011, the median common equity ratio for Canadian electric utilities was 44.2%. In
7 2011, the median common equity ratio for investor-owned Canadian electric utilities with
8 rated debt was 42.6%.¹ The latest capital structures adopted by regulators for ratemaking
9 purposes for Canadian electric utilities are in a range of 37% to 47%.²
10
11 In this Application, Newfoundland Power is proposing to continue to target its capital
12 structure for ratemaking purposes at 45%.

¹ See *Volume 3, Expert Evidence & Studies, Schedule 5*, page 1 and 2.

² See *Volume 3, Expert Evidence & Studies, Schedule 3*, page 1 of 2.