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Q: Reference: Page 29, Lines 4-5, Page 31, Lines 12-14 and Page 53, Lines 14-15

“Weighting the results of each ERP test equally results in an estimate of the testyear cost of capital for the benchmark utility in the range of 6.1% to 6.6%”

Please confirm that, based on the 12-15 basis point downward adjustment recommended by Dr. Cannon for Newfoundland Power, the indicated cost of equity based on the ERP tests (prior to flotation costs) would be in the range of 5.95% to 6.48%. If Dr. Cannon cannot confirm, then please explain why not.

A: It is confirmed.