

- 1 **Q. Figure 23 on page 46 reports the Allowed Equity Ratios for 6 U.S. Utilities.**
2
3 **Explain why these 6 utilities were chosen. List utilities that were excluded and**
4 **explain why.**
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6 A. As explained on pages 45-46 of Mr. Coyne’s report, Concentric also compared
7 Newfoundland Power’s common equity ratio of 45.0 percent to other Transmission and
8 Distribution (T&D) utilities of similar size in the U.S. Figure 23 presents the average
9 allowed common equity ratio for a group of six T&D utilities, most of which provide
10 electric utility service in the northeastern U.S. These companies were selected based on
11 meeting the following criteria: 1) a rate base between \$500 million and \$3 billion; and 2)
12 a rate case decision between January 2017 and March 2018. Any utility that did not pass
13 these two screens was excluded from Figure 23.