

- 1 **Q. Evidence, page 3, lines 16-26. Dr. Booth has given evidence in several Canadian**
 2 **regulatory proceedings on the recommended ROE and capital structure for**
 3 **regulated utilities. List each decision by a regulator that accepted Dr. Booth's**
 4 **recommendations fully or partially and, if partially accepted, state what was**
 5 **accepted.**
 6
- 7 **A. Dr. Booth does not keep a record of either his recommendations or the decisions of**
 8 **the Board some of which go back to 1985 or over 36 years ago. It would involve an**
 9 **enormous amount of time to assess each Board decision to determine whether a**
 10 **Board partially accepted Dr. Booth's recommendations. However, Dr. Booth would**
 11 **note that rarely has a Board accepted his ROE and capital structure**
 12 **recommendations, but even when they do not they often make statements similar to**
 13 **that of IRAC in the recent Maritime Electric Decision where even though they gave**
 14 **the company what they requested, the Decision stated:**
 15

6.4 Findings

121. The Commission has weighed the expert evidence of Dr. Booth and Mr. Trogonoski and finds that where their evidence differs the Commission prefers and accepts the expert

evidence of Dr. Booth. Although Dr. Booth recommended a ROE of 8.50 percent on 37 percent equity, the Commission is prepared to allow the Company's current allowed ROE of 9.35 percent based on 40 percent average common equity to remain in place. The Commission is continuing this ROE due to the other changes being made in this Order which may have the effect of slightly increasing the Company's risk. Therefore, in the interest of fairness to the Company, the Commission is not decreasing the allowed ROE.

122. As a result, MECL shall be entitled to earn a *maximum* return on average common equity of 9.35 percent based on 40 percent average common equity in each of 2019, 2020 and 2021. The allowed ROE and common equity component shall continue until varied by the Commission.

- 16
 17
 18 Mr. Trogonoski was the Concentric witness on behalf of Maritime Electric in that
 19 hearing and presented evidence very similar to that of Mr. Coyne in this hearing.