

1 **Section 1: Introduction**

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3 **Q. (Section 1) Which Canadian electric distribution companies would Newfoundland**
4 **Power regard as having less business risk and which as having more business risk**
5 **than itself? For both responses, please provide the allowed common equity ratio.**

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7 A. Newfoundland Power relies on the assessment of its cost of capital expert, Concentric
8 Energy Advisors Inc., of the Company's business risk relative to other investor-owned
9 utilities. The Company does not have knowledge of the specific business risks of each
10 Canadian investor-owned utility.