

1 **Section 3: Finance/Fair Return**

2

3 **Q. (Section 3, page 3-20) Can Newfoundland Power confirm that the Board originally**
4 **approved its common equity in a range of 40-45%? If not, provide the specific**
5 **sections of the Board’s referenced decision at page 3-20.**

6

7 **A.** Table 1 provides the capital structure approved by the Board in Order No. P.U. 7
8 (1996-97):¹

**Table 1:
Capital Structure
Order No. P.U. 7 (1996-97)**

Component	Range
Common Equity	40% - 45%
Preferred Equity	3% - 6%
Debt	47% - 55%

¹ See Order No. P.U. 7 (1996-97), pages 24 and 25.