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How FERC's Peers Estimate Equity Costs

December 5, 2019 | *David E. Pomper*

Spiegel partner David Pomper's article, "How FERC's Peers Estimate Equity Costs: A Deep Dive," appears in the December 2019 issue of *Public Utilities Fortnightly*. It went to press before FERC issued its Opinion No. 569, which accords with the article's observation that earnings/book ratios do not represent the capital attraction cost of equity and should not be used to set allowed returns. The article also provides insights on how FERC's peers estimate the market-wide rate of return on equity.

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