

1 **Q. In terms of Mr. Coyne’s US sample please provide the percentage of generation for**
2 **each utility and the percentage of generation in plant and equipment coming from**
3 **nuclear power plants. In Mr. Coyne’s judgement is generation an important part of**
4 **business risk comparisons for US utilities? Why or why not. Please indicate whether**
5 **in any Canadian evidence a Concentric witness has made adjustments to the results**
6 **for his US proxy sample due to” generation” risk.**

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8 A. See Attachment A.

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10 Attachment A is available in electronic format on Newfoundland Power’s stranded
11 website at: <https://ftp.nfpower.nf.ca/>.

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13 Attachment A contains commercially sensitive information that may be proprietary,
14 subject to copyright, or otherwise injurious to commercial interests. Concentric requests
15 that the Board not make the contents of Attachment A publicly available, including
16 refraining from posting same on its public website.

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18 In Mr. Coyne’s judgment, generation ownership is an important risk factor for investors
19 in an electric utility, among others. Mr. Coyne has not made a specific risk adjustment
20 for generation risk, but has considered it as part of the overall risk profile for
21 Newfoundland Power, along with other factors discussed in Concentric’s report.
22 Although Newfoundland Power does not have generation risk, the Company does rely on
23 a single supplier (i.e. Newfoundland and Labrador Hydro) for 93% of its power, which
24 exposes the Company to a concentration of power supply risk. Mr. Coyne has not
25 investigated whether any Concentric witness has made adjustments to a U.S. proxy
26 sample for generation risk in their evidence, but as stated above, this should be
27 considered on a case by case basis along with other risk factors.