

- 1 **Q. With reference to the Table on page 39 has Mr. Coyne ever presented evidence**
2 **before a Canadian tribunal where the average multi-stage DCF results were higher**
3 **than the constant growth estimates? If he has, please provide the relevant pages of**
4 **the evidence to confirm this.**
5
- 6 A. In most circumstances, the multi-stage model using a GDP growth rate will produce
7 lower results, but Mr. Coyne has not gone back in time to examine whether this has
8 always been the case. As Mr. Coyne demonstrates in Figure 19 of Concentric's *Cost of*
9 *Capital* report, both earnings and dividend growth rates for his three proxy groups have
10 exceeded GDP growth over the most recent decade by a substantial margin, so he
11 questions why an investor would assume a lower GDP growth rate when these companies
12 routinely outperform the overall GDP measure.