

NLH-193 PUB

Please provide any articles, studies or regulatory decisions of which Dr. Waverman is aware that support his conclusion that the marginal cost of the shareholder's equity in a Crown Corporation is equal to the province's cost debt.

- A. I have not collected articles, studies, or regulatory decisions on this question. Instead, I went back to basic economic principles (*i.e.*, opportunity cost concepts) in preparing my testimony.