

Q. NLH-90 CA (Re: Page 11)

Dr. Kalymon compares the business risks of electric utilities in Ontario and Alberta to Newfoundland Hydro. Does Dr. Kalymon believe the business risks of the Alberta transmission facility owners are higher than those of NLH? If yes, please explain why. (If competition is a factor, please explain how it impacts the distribution utilities.)

A. **The comment on business risk was primarily directed at the power generating segments of the electrical utility industry which is the most directly comparable to Newfoundland Hydro.**