

- 1 **Q. Coyne Evidence: In terms of the stand-alone principle does Mr. Coyne judge it**
2 **fair for ratepayers to pay the higher costs from a smaller inefficient utility than a**
3 **larger one when the smaller utility is protected and unable to reap the advantages of**
4 **economies of scale?**
5
- 6 A. Please see page 7 of Concentric’s report for Mr. Coyne’s testimony in this proceeding
7 with respect to the stand-alone principle. He is unaware of any regulatory application of
8 the stand-alone principle that relates to the question asked.