

- 1 **Q. Coyne Evidence: Does Mr. Coyne accept that if risk decreases, so too does the**  
2 **required and fair rate of return?**  
3  
4 A. Mr. Coyne recognizes that if risk is measurably reduced, in general, the required return  
5 on that investment will also be reduced. It is unclear what “fair return”, which is a  
6 regulatory standard, means in this question.