

- 1 **Q. Coyne Evidence: Mr. Coyne references this Board as support for his use of US**  
2 **evidence. Is he aware that this Board also made a downward adjustment of 0.50-**  
3 **1.0% for US estimates?**  
4
- 5 A. Yes. See page 25 of Concentric's report, where Mr. Coyne acknowledges the Board's  
6 previous position on this issue, and explains why he believes that an adjustment is not  
7 necessary in this proceeding because the U.S. electric utility proxy group is more  
8 comparable to Newfoundland Power than the Canadian utility proxy group companies,  
9 many of which have significant non-electric operations and unregulated operations.  
10 Conversely, the U.S. electric utility proxy group is comprised of companies that derive  
11 almost 100 percent of net operating income and operating revenues from electric utility  
12 operations, and dedicate almost 100 percent of assets to regulated electric utility service.  
13 For that reason, Mr. Coyne does not believe that an adjustment to the DCF results for the  
14 U.S. electric utility proxy group or the North American proxy group is necessary.  
15  
16 Also, see response to Request for Information PUB-NP-058.