

- 1 **Q. Coyne Evidence: Please confirm that Mr. Coyne appeared before the Regie to**  
2 **testify on the allowed ROE for Hydro Quebec Transmission and Distribution which**  
3 **are both treated as if they were privately owned based on the stand-alone principle.**  
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- 5 A. Confirmed; Mr. Coyne did provide testimony on the authorized ROE on behalf of HQT  
6 and HQD in 2013. The Régie has stated in previous decisions that the ROE for HQD and  
7 HQT should be set on a stand-alone basis, as if the entities were independently seeking to  
8 attract capital in the financial markets. Mr. Coyne observes that HQD and HQT have the  
9 lowest allowed ROEs and equity ratios of the regulated gas and electric utilities in  
10 Canada, and as a provincially-owned entity since 1944, the companies have never  
11 actually raised capital on a stand-alone basis in modern times.