

1 **Q. Coyne Evidence – Appendix A: Capital Structure: On page 15, lines 21 to 24, it is**
2 **stated “The new electricity supply will be served by a new 1,100 kilometer transmission**
3 **line, which will cross eight different climactic zones to reach St. John’s, thereby**
4 **increasing potential weather-related risk to Newfoundland Power’s electricity supply”.**
5 **As stated in CA-NLH-115 (from Outage Inquiry), the supply risk will be reduced**
6 **rather than increased as stated by Mr. Coyne. Please provide an update of Mr.**
7 **Coyne’s cost of capital analysis based on this assumption.**

8
9 A. No such update is required.

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11 Mr. Coyne understands that matters related to the reliability of Newfoundland Power’s
12 power supply following commissioning of the Muskrat Falls project are currently being
13 studied by the Board as part of Phase II of its *Investigation and Hearing into the Supply*
14 *Issues and Power Outages on the Island Interconnected System*. This proceeding is not
15 yet complete. The results of the Board’s investigation into the reliability of power supply
16 following commissioning of the Muskrat Falls project, including its assessment of the
17 future reliability of power supply, are therefore currently uncertain.

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19 Please refer to the responses to Requests for Information PUB-NP-013, PUB-NP-069,
20 CA-NP-173 and CA-NP-175.