

- 1 **Q. Reference: Transcript, April 6, 2016**
2 **Page 5, Line 23 through Page 6, Line 3**
3
4 **Newfoundland Power advised that they would file a revised JMC-8 containing the**
5 **corrected footnote.**
6
7 A. Mr. Coyne has revised Exhibit JMC-8 to correct Footnote 5. See Attachment A.

Exhibit JMC-8 (1st Revision)

Capital Asset Pricing Model

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
						Average			
US Proxy Group	Ticker	Bloomberg	Value Line	Average Beta	Risk Free Rate	Market Risk Premium	Basic CAPM Calculation	Flotation Cost	Total CAPM
ALLETE, Inc.	ALE	0.75	0.80	0.78	4.29%	7.62%	10.20%	0.50%	10.70%
Duke Energy	DUK	0.55	0.60	0.58	4.29%	7.62%	8.68%	0.50%	9.18%
Eversource Energy	ES	0.68	0.75	0.71	4.29%	7.62%	9.72%	0.50%	10.22%
Great Plains	GXP	0.76	0.85	0.80	4.29%	7.62%	10.41%	0.50%	10.91%
OG&E Corp	OGE	0.78	0.90	0.84	4.29%	7.62%	10.70%	0.50%	11.20%
Pinnacle West Capital	PNW	0.72	0.70	0.71	4.29%	7.62%	9.68%	0.50%	10.18%
Westar	WR	0.67	0.75	0.71	4.29%	7.62%	9.71%	0.50%	10.21%
MEAN		0.70	0.76	0.73			9.87%		10.37%

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
						Average			
Canada Proxy Group	Ticker	Bloomberg	Value Line	Average Beta	Risk Free Rate	Market Risk Premium	Basic CAPM Calculation	Flotation Cost	Total CAPM
Canadian Utilities Limited	CU	0.62	N/A	0.62	3.68%	7.62%	8.37%	0.50%	8.87%
Emera Inc.	EMA	0.71	N/A	0.71	3.68%	7.62%	9.08%	0.50%	9.58%
Enbridge Inc.	ENB	0.79	N/A	0.79	3.68%	7.62%	9.71%	0.50%	10.21%
Valener Inc.	VNR	0.43	N/A	0.43	3.68%	7.62%	6.98%	0.50%	7.48%
MEAN		0.64		0.64			8.54%		9.04%

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
						Average			
North American Electric Proxy Group	Ticker	Bloomberg	Value Line	Average Beta	Risk Free Rate	Market Risk Premium	Basic CAPM Calculation	Flotation Cost	Total CAPM
ALLETE, Inc.	ALE	0.75	0.80	0.78	4.29%	7.62%	10.20%	0.50%	10.70%
Canadian Utilities Limited	CU	0.62	N/A	0.62	3.68%	7.62%	8.37%	0.50%	8.87%
Duke Energy	DUK	0.55	0.60	0.58	4.29%	7.62%	8.68%	0.50%	9.18%
Emera Inc.	EMA	0.71	N/A	0.71	3.68%	7.62%	9.08%	0.50%	9.58%
Eversource Energy	ES	0.68	0.75	0.71	4.29%	7.62%	9.72%	0.50%	10.22%
Great Plains	GXP	0.76	0.85	0.80	4.29%	7.62%	10.41%	0.50%	10.91%
OG&E Corp	OGE	0.78	0.90	0.84	4.29%	7.62%	10.70%	0.50%	11.20%
Pinnacle West Capital	PNW	0.72	0.70	0.71	4.29%	7.62%	9.68%	0.50%	10.18%
Westar	WR	0.67	0.75	0.71	4.29%	7.62%	9.71%	0.50%	10.21%
MEAN		0.69	0.76	0.72			9.62%		10.12%

Notes:

[1] Source: Bloomberg Professional; average of five years of weekly market-adjusted betas

[2] Source: Value Line as of August 31, 2015

[3] Equals mean of [1] and [2]

[4] Source: Equals average long-term Consensus Forecast of 10-year government bond yields for the period 2016-2018 as of April 13, 2015. (Pg. plus the 30-day average spread between 10- and 30-year bond ending August 31, 2015.

[5] Source: Average of the Duff and Phelps Canada historical risk premium (1919-2014),

Duff and Phelps US historical risk premium (1926-2014),

Bloomberg: TSX total return less [4] as of August 31, 2015

Bloomberg: S&P 500 total return less [4] as of August 31, 2015

[6] Equals [4] + ([5] x [6])

[7] Flotation Costs

[8] Equals [6] + [7]