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- 1 Q. **Reference: Appendix E**
- 2 Provide the discount rate used in the present worth calculations in Scenarios 1 and 2.
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- 4
- 5 A. The discount rate used in the present worth calculations in Scenarios 1 and 2 was 5.9%.¹

¹ The 5.9% used in the analysis provided in the “Corporate Business Systems Transformation Project Justification Report,” Appendix E is Newfoundland and Labrador Hydro’s regulated Weighted Average Cost of Capital as calculated in January 2018. Weighted Average Cost of Capital is calculated annually at the beginning of the year and is used for any long-term analysis completed throughout the year.