

- 1 **Q. Please confirm that the AUC in 2018 specifically rejected Mr. Coyne’s forward**  
2 **looking market risk premium estimates since the growth rates were unrealistically**  
3 **too high.**  
4
- 5 A. Confirmed. However, the Federal Energy Regulatory Commission has specifically  
6 adopted a forward-looking market risk premium in the U.S. where it determines the  
7 allowed ROEs for a large number of regulated public utilities, and Mr. Coyne continues  
8 to believe it is the most reasonable approach due to the low interest rate environment,  
9 which makes the use of a historical market risk premium much less appropriate.