

- 1 **Q. Reference page 12: automatic ROE adjustment formula and the statement that**  
2 **Newfoundland has the “highest” adjustment coefficient: Please confirm that when**  
3 **the BCUC first introduced its AAM in 1994 it used a 100% adjustment to forecast**  
4 **changes in long Canada yields.**  
5
- 6 A. Mr. MacDonald confirms. Mr. MacDonald also notes that he has focused on the  
7 adjustment formulas as they existed at the date of his expert report (OEB, Regie and  
8 PUB) and as they existed immediately prior to being abandoned or suspended (BCUC,  
9 AUC and NEB).