

- 1 **Q. Figure 21 on page 41 reports the Allowed ROEs for 6 Canadian Utilities.**
2
3 a) **Please explain why Mr. Coyne did NOT also include the Allowed ROEs for**
4 **ENMAX (8.5%), EPCOR (8.5%), HydroQuebec Distribution (8.20%) and**
5 **Saskatchewan Power Corporation (8.5%).**
6 b) **Please confirm that if these four utilities were included, the average Allowed**
7 **ROE would be 8.72% and not 8.92%. while the median would be 8.5%. If not**
8 **confirmed, please provide the resulting average and median as calculated by Mr.**
9 **Coyne.**
10
11 **A.** a) As stated on page 40 of Mr. Coyne’s report, Figure 21 presents the average allowed
12 ROE for Canadian investor-owned electric utilities in 2018. Mr. Coyne did not include
13 the four Canadian electric utilities listed in the RFI because they are either crown
14 corporations or municipally-owned utilities. Investor-owned utilities must compete
15 for capital with other companies in capital markets, and in Mr. Coyne’s view, investor-
16 owned utilities have different risk profiles than crown corporations or municipally-
17 owned utilities. For those reasons, only investor-owned utilities were included in
18 Figure 21.
19
20 b) Confirmed.