

1 **Q. Please provide a listing of all countries with the same ranking as Canada and the US**  
2 **and whether on this basis Mr. Coyne would regard their capital market data as of**  
3 **equivalent value to the US data in assessing the fair rate of return for a Canadian**  
4 **utility.**

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6 A. The following countries have the same country risk ranking (A3) and business climate  
7 ranking (A1) as Canada and the U.S.: Australia; Singapore; South Korea; Belgium;  
8 Estonia; France; Germany; Iceland; Spain; and the United Kingdom.

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10 Concentric's *Cost of Capital* report presents the COFACE rankings as evidence that the  
11 country risk and business climate for the U.S. and Canada are very similar. In order to  
12 use market data from other countries in assessing the fair rate of return for a Canadian  
13 utility, it would also be necessary to consider additional factors, including the level of  
14 trade between the other country and Canada, the degree that markets and economies in  
15 the other country and Canada are integrated, the similarity of the regulatory and business  
16 environment for regulated public utilities in the other country as compared to Canada,  
17 and the degree to which utility companies invest, raise capital, and face comparable  
18 business risks.