

- 1 **Q. Reference CA-NP-240**
- 2 **a) Given the importance of the recovery of power costs, can Mr. Coyne provide**
- 3 **copies of all demand studies relied on to indicate there may be problems in**
- 4 **recovering the higher cost of Muskrat Falls power supply? In particular, what**
- 5 **studies of the price elasticity of demand for electricity in NL did Newfoundland**
- 6 **Power provide, or Mr. Coyne consult, in the preparation of his report?**
- 7 **b) C&T did not answer the question, instead the answer refers to Newfoundland**
- 8 **Power’s response to PUB-NP-103. Please indicate whether C&T were provided**
- 9 **with these reports, whether they agree with them and whether or not as financial**
- 10 **experts they relied on them or did their own independent analysis.**
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- 12 **A. b) Concentric was not provided, nor did it request, studies of the price elasticity of**
- 13 **demand by Newfoundland Power prior to the filing of our cost of capital report,**
- 14 **Volume 2. Concentric reviewed the referenced discussion of the price elasticity of**
- 15 **demand for electricity in preparing the response to CA-NP-240. Based upon our**
- 16 **review, the study discussed in Newfoundland Power’s response to PUB-NP-103**
- 17 **appears reasonable, and is consistent with similar studies on price elasticity of**
- 18 **demand that Concentric has seen in the past for other electric utilities.**