

- Q. Please provide a copy of Dr. Kalymon's detailed calculations supporting the adjustment of 50 basis points referred to at p. 34, lines 15 to 18.
- A. **The 50 basis point adjustment is based on the assessment of the overall risk of Newfoundland Power as compared to the average risk of the utility sample which includes substantial amounts of non-regulated activities. No beta measurement of the un-traded regulated activities is possible.**