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2 **Q. Reference: Page 3, Lines 6-8:**  
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4 **“Only by carefully screening the total population of US utilities is it possible to come**  
5 **up with a small *sample* of equivalent risk US utilities to that of the total *population* of**  
6 **Canadian utilities.”**  
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8 **Would the typical vertically integrated electric utility be of comparable business risk**  
9 **to the typical gas distribution or electric distribution utility?**  
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12 **A.** In Canada such differences in business risk are typically offset by differences in financial risk  
13 so that they can be allowed similar ROEs. Dr. Booth is not aware of similar practices in the  
14 US but doubts that this happens due to differences in regulatory practices between the US  
15 and Canada.  
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