**Q.    Please reference Appendix H: Schedule 4 of the Evidence of Laurence D. Booth. Dr. Booth calculated a ROE Beta of -0.08 for Fortis:**

    **a.    Is the beta for Fortis statistically significant?**

    **b.    Does this limit its value for determining a ROE in this proceeding?**

A.    a)    Not at normal levels since there are only 16 observations. The T statistic is -0.54, which means the ROE beta is insignificantly different from zero at normal significance levels.

    b)    Dr Booth places no reliance on these ROE betas. He would regard them as a reasonableness check at best and perhaps suggestive rather than indicative. To place reliance on them would require data going back at least a couple of business cycles, and unfortunately very few firms are stable that long, that is in the same line of business