

1 **Q. Evidence of Dr. Vander Weide: US allowed ROEs Pages 23-26: Please provide the**
2 **long Canada and long US Treasury yields as of the end of December 2010 and**
3 **December 2011. Is it his opinion that the US and Canadian governments face the**
4 **same long term financing costs and that the fair rate of return is the same in both**
5 **countries?**

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7 A. The average yield on ten-year Canada bonds at December 2010 was 3.16 percent, and at
8 December 2011, 1.96 percent. The average yield on ten-year U.S. Treasury bonds was
9 3.35 percent at December 2010, and 1.92 percent at December 2011. In Dr. Vander
10 Weide's opinion, the U.S. and Canadian governments face approximately the same long-
11 term financing costs at present; and the fair rate of return is approximately the same in
12 both countries.