

1 **Q. Evidence of Dr. Vander Weide: US versus Canadian utility risk Pages 30-39: Is Dr.**
2 **Vander Weide aware of any other faculty in Duke's finance department that would**
3 **similarly use standard deviations as an individual security risk measure?**
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5 A. Dr. Vander Weide is aware that Duke finance faculty teach students that the forward-
6 looking beta is the best measure of the forward-looking risk of an individual security in
7 the context of the CAPM. Finance faculty would also discuss with students that betas
8 based on historical data may not represent forward-looking betas and that the experienced
9 equity returns are not consistent with those predicted by the CAPM.