

1 **Q. Vander Weide Evidence – Further to the previous question, please confirm that the**
2 **Alberta Board at p. 54 found, “that the regulatory risk faced by these U.S. utilities**
3 **in general remain materially higher than the regulatory risk of Alberta utilities. As**
4 **a consequence, the returns awarded by regulators for U.S. LDCs would be expected**
5 **to reflect this materially higher level of risk leading the Commission to conclude**
6 **that U.S. allowed return should not be used.”**

7
8 **Why didn’t Dr. Vander Weide cite and quote from this decision when he asked**
9 **himself, “Have other Canadian utility commissions expressed an opinion on the use**
10 **of U.S. utility data for the purpose of estimating the cost of equity for Canadian**
11 **utilities?”**

12
13 **Please file a copy of Dr. Vander Weide’s evidence before the Alberta proceeding**
14 **referred to in the previous question.**

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16 **A.** At page 54, the Alberta Board states:

17
18 ...With respect to U.S. data on allowed returns for natural gas and electric LDCs and
19 other state regulated utilities, the Commission finds, based on the evidence and
20 analysis referred to above, that the regulatory risk faced by these U.S. utilities in
21 general remain materially higher than the regulatory risk of Alberta utilities. As a
22 consequence, the returns awarded by U.S. regulators for U.S. LDCs would be
23 expected to reflect this materially higher level of risk leading the Commission to
24 conclude that U.S. allowed returns should not be used in determining a fair return for
25 Alberta utilities.

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27 Dr. Vander Weide did not cite and quote from the Alberta decision because he disagrees
28 with the Commission’s view expressed in this quotation.

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30 Dr. Vander Weide’s filed direct and rebuttal evidence before the Alberta proceeding can
31 be obtained at the Alberta Board’s web site.