Q. Vander Weide Evidence (page 37) – In connection with Dr. Vander Weide's discussion of his Ex Ante Risk Premium Estimate, Dr. Vander Weide states that he used two sets of comparable U.S. utilities, a natural gas utilities company group and an electric utilities company group. For the natural gas group, Dr. Vander Weide indicates that he selected all the utilities in Standards & Poors natural gas company group that met certain criteria set out at page 37. Where is the list of the companies that forms Dr. Vander Weide's gas utilities group? In relation to both the companies in the gas utilities group and the electric utilities company group consisting of 24 companies, which are listed at Table 1 at page 108, please provide:

(a) % Regulated;
(b) Safety Rank;
(c) S&P Bond Rating;
(d) S&P Bond Rating (numerical).

A. Dr. Vander Weide describes his process for selecting comparable utilities in his ex ante risk premium studies in his written evidence:

> I use two sets of comparable U.S. utilities, a natural gas utilities company group and an electric utilities company group. For my natural gas company group, I select all the utilities in Standard & Poor's natural gas company group that: (1) paid dividends during every quarter and did not decrease dividends during any quarter of the past two years; (2) have at least two analysts included in the I/B/E/S mean growth forecast; (3) are not in the process of being acquired; (4) have a Value Line Safety Rank of 1, 2, or 3; and (5) have investment grade S&P bond ratings. For my electric group, I use the Moody's group of 24 electric companies because they are a widely-followed group of utilities, and the use of this constant group greatly simplifies the data collection task required to estimate the ex ante risk premium over the months of my study. Simplifying the data collection task is desirable because my forward-looking equity risk premium studies require that the DCF model be estimated for every company in every month of the study period. [Vander Weide evidence at 37, Answer 106]

Dr. Vander Weide's ex ante risk premium study for his natural gas utilities uses ex ante risk premium estimates for his natural gas utilities for the 169 months beginning June 1998 through June 2012. Dr. Vander Weide's ex ante risk premium study for his electric utilities uses ex ante risk premium estimates for his electric utilities for the 154 months beginning September 1999 through June 2012. The requested data for the companies that comprise the natural gas and electric groups in Dr. Vander Weide's ex ante risk premium studies in the most recent month of the study are shown below:

Electric Utility	% Regulated	Safety Rank	S&P Bond Rating	S&P BOND RATING (Numerical)
Amer. Elec. Power	97%	3	BBB	7
Dominion Resources	63%	2	A-	5
DTE	81%	3	BBB+	6
Duke Energy	77%	2	A-	5
Consol. Edison	89%	1	A-	5
FirstEnergy Corp.	65%	2	BBB-	8
NiSource Inc.	58%	3	BBB-	8
Public Service Enterprise Group	56%	2	BBB	7
PPL Corp.	73%	3	BBB	7
Southern Co.	93%	1	A	4
TECO Energy	94%	2	BBB+	6
Xcel Energy Inc.	95%	2	A-	5
Pepco Holdings	73%	3	BBB+	6
Average	78%	2.2	BBB+	6.1

Natural Gas Utility	% Regulated	Safety Rank	S&P Bond Rating	S&P BOND RATING (Numerical)
AGL Resources	80%	1	BBB+	6
Atmos Energy	97%	2	BBB+	6
NiSource Inc.	58%	3	BBB-	8
Northwest Natural Gas	89%	1	A+	3
Piedmont Natural Gas	97%	2	A	4
WGL Holdings Inc.	89%	1	A+	3
Average	85%	1.7	A-	5.0