**Q. Vander Weide Evidence – Why didn't Dr. Vander Weide use his 2 U.S. utility groups described at page 20 of his Evidence in order to carry out his Ex Ante Risk Premium Estimate in light of the fact that as Dr. Vander Weide states at page 37 his ex ante risk premium studies rely on the DCF model, for which model he utilized the other 2 U.S. utility groups?**

A. Dr. Vander Weide did not use the two U.S. utility groups described at page 20 of his evidence in his ex ante risk premium studies because his ex ante risk premium studies require a DCF estimate of each company's cost of equity in each month of the study periods shown in Exhibit 10 and Exhibit 11. The comparable company groups described at page 20 reflect the percentage of regulated assets and bond ratings as of June 2012. It would have been extremely time consuming and costly to obtain data on percent regulated assets and bond ratings for each month over the 154-month and 169-month periods shown in Exhibit 10 and Exhibit 11. Given the relatively minor twenty-basis point impact of percentage of regulated assets and bond ratings on Dr. Vander Weide's DCF results for the proxy groups in Exhibit 6 and Exhibit 7 at June 2012, Dr. Vander Weide did not consider it to be either reasonable or cost effective to attempt to gather the data required to use these criteria in his ex ante risk premium studies.