

1 **Q. Vander Weide Evidence (page 43) – Dr. Vander Weide states that over the period**
2 **1937 to 2012, investors in the S&P utilities stock index have earned an average risk**
3 **premium over the yield on long-term treasury bonds equal to 5.21%, while investors**
4 **in the S&P 500 have earned an average risk premium over the yield on long-term**
5 **treasury bonds equal to 5.67%. He says that this analysis produces a beta of .92,**
6 **higher than the .73 he uses in his study. What has been the beta accepted by Boards**
7 **in the last 5 cases that Dr. Vander Weide testified:**

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9 **(a) in Canada?**

10 **(b) in the U.S.?**

11
12 (a) Dr. Vander Weide does not maintain records of the betas accepted in Canadian utility
13 proceedings.

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15 (b) Cost of equity experts in recent U.S. rate proceedings have given little or no weight to
16 the results of the CAPM.