

1 **Q. Vander Weide Evidence (page 44) – Dr. Vander Weide states that his examination**
2 **of average historical risk premiums on Canadian utility stocks over the periods 1956**
3 **to 2012 and 1983 to 2012 have exceeded the average historical risk premium on the**
4 **S&P TSX composite over the same periods (see Exhibit 15). Dr. Vander Weide**
5 **states that “in contrast” to the beta used by the Board in P.U. 43 (2009) of**
6 **approximately .60, “. . . my results indicate that the beta for Canadian utilities**
7 **could, in fact, be greater than 1.0.” Does Dr. Vander Weide know of another expert**
8 **who believes that the beta for any utilities, Canadian or American, could be greater**
9 **than 1.0 and, if so, in what cases the position was advanced?**

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11 **A.** Dr. Vander Weide was asked to provide an independent assessment of Newfoundland
12 Power’s cost of equity. He does not maintain records of the beta estimates, if any, of
13 other witnesses.