

1 **Q. Written Evidence of James H. Vander Weide – Volume 3**

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3 **Pg. 14, A34 - Please confirm that your selection of comparable risk utilities is in-line**
4 **with what other Canadian utilities are using to estimate cost of equity. For example,**
5 **is the BMO CM basket typically used for Canadian comparable risk utilities or is**
6 **the S&P/TSX Utilities index used?**
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8 A. Dr. Vander Weide has used both the BMO CM basket of Canadian utilities and the
9 S&P/TSX Utilities index in proceedings on behalf of Trans Québec & Maritimes
10 Pipeline, EPCOR Distribution & Transmission Inc., EPCOR Energy Alberta Inc.,
11 FortisAlberta Inc., and AltaLink, L.P., Union Gas, and Terasen Gas Inc. Dr. Vander
12 Weide has not studied whether other Canadian utilities may have used these Canadian
13 data sets to estimate the cost of equity. As he discusses in his written evidence, Dr.
14 Vander Weide notes that the BMO CM basket of Canadian utilities consists primarily of
15 Canadian utilities with a significant percentage of regulated utility operations and that the
16 S&P/TSX Utilities index consists primarily of companies that do not have a significant
17 percentage of assets devoted to regulated utility operations.