

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

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3 **Pg. 39, A112 - Since your beta and equity risk premium are US based, would it be**  
4 **more appropriate to add a US risk free rate and then adjust for country risk rather**  
5 **than to add a Canadian risk free rate? If not, why not?**  
6

7 A. No. The risk-free rates in Canada and the U.S. are approximately equal, and Dr. Vander  
8 Weide does not believe that there is a difference in country risk. Please also see response  
9 to PUB-NP-084.