

Underlying Data for Regression Results

COMPANY	DATE OF ORDER	ROE ALLOWED (MIDPOINT)	LONG TERM CANADA	RISK PREMIUM
1 TransAlta Util	Jan-80	14.50%	12.13%	2.37%
2 TransAlta Util	Jan-80	14.50%	12.13%	2.37%
3 Alberta Nat Gas	May-80	14.25%	11.42%	2.83%
4 Interprovincial	Jun-80	15.25%	11.29%	3.96%
5 TransCanada	Aug-80	15.00%	12.40%	2.60%
6 Nfld Tel	Sep-80	14.50%	12.98%	1.52%
7 Consumer Gas	Nov-80	14.25%	13.01%	1.24%
8 Westcoast (Mainline)	Nov-80	15.00%	13.01%	1.99%
9 Nfld Light & Power	Nov-80	14.88%	13.01%	1.87%
10 Island Tel	Dec-80	14.75%	12.67%	2.08%
11 B.C. Tel	Jan-81	14.00%	12.96%	1.04%
12 MT & T	Jan-81	14.00%	12.96%	1.04%
13 Cdn Western Natural Gas	Feb-81	15.50%	13.38%	2.12%
14 Cdn Western Natural Gas	Feb-81	14.75%	13.38%	1.37%
15 Northwestern Util	Mar-81	14.75%	13.48%	1.27%
16 Northwestern Util	Mar-81	14.75%	13.48%	1.27%
17 Nfld Light & Power	Nov-81	17.00%	14.32%	2.68%
18 Island Tel	Dec-81	17.75%	15.27%	2.48%
19 N.B. Tel	Jan-82	16.00%	15.94%	0.06%
20 Nfld Tel	Jan-82	17.00%	15.94%	1.06%
21 Consumer Gas	Jan-82	16.25%	15.94%	0.31%
22 MT & T	Mar-82	16.70%	15.06%	1.64%
23 Island Tel	Mar-82	15.75%	15.06%	0.69%
24 Union Gas	Apr-82	16.75%	14.75%	2.00%
25 Alberta Nat Gas	Apr-82	16.75%	14.75%	2.00%
26 B.C. Tel	May-82	17.00%	14.72%	2.28%
27 TransAlta Util	Jun-82	17.00%	16.03%	0.97%
28 TransCanada	Jul-82	16.00%	15.62%	0.38%
29 Alberta Power Ltd	Aug-82	17.00%	13.96%	3.04%
30 Nfld Tel	Aug-82	16.99%	13.96%	3.03%
31 Nfld Light & Power	Dec-82	17.00%	11.69%	5.31%
32 Northern Tel	Jan-83	16.00%	12.28%	3.72%
33 Consumer Gas	Jan-83	15.75%	12.28%	3.47%
34 N.B. Tel	Jan-83	16.00%	12.28%	3.72%
35 Alberta Power Ltd	Feb-83	17.00%	11.80%	5.20%
36 TransMountain	Mar-83	15.50%	11.70%	3.80%
37 Northern & Central Gas	Mar-83	15.85%	11.70%	4.15%
38 Maritime Electric	Mar-83	15.75%	11.70%	4.05%
39 Maritime Electric	Mar-83	15.75%	11.70%	4.05%
40 Island Tel	Mar-83	15.75%	11.70%	4.05%
41 Union Gas	Apr-83	15.60%	11.18%	4.42%
42 Cdn Western Natural Gas	May-83	14.75%	11.30%	3.45%
43 Cdn Western Natutal Gas	May-83	15.75%	11.30%	4.45%
44 Gas Metropolitain	May-83	16.00%	11.30%	4.70%
45 Northwestern Util	Jun-83	14.75%	11.56%	3.19%
46 Northwestern Util	Jun-83	15.75%	11.56%	4.19%

47 B.C. Tel	Jun-83	13.25%	11.56%	1.69%
48 TransCanada	Jun-83	15.00%	11.56%	3.44%
49 Nova	Aug-83	15.25%	12.34%	2.91%
50 Westcoast (Mainline)	Aug-83	14.75%	12.34%	2.41%
51 TransAlta Util	Sep-83	15.00%	11.76%	3.24%
52 Consumer Gas	Nov-83	15.30%	11.80%	3.50%
53 Inland Natural Gas	Nov-83	15.63%	11.80%	3.83%
54 Edmonton Power	Nov-83	15.00%	11.80%	3.20%
55 Alberta Power Ltd	Nov-83	15.00%	11.80%	3.20%
56 Northern & Central Gas	Dec-83	15.75%	12.02%	3.73%
57 Northern Tel	Dec-83	14.00%	12.02%	1.98%
58 B.C. Tel	Jan-84	13.50%	11.92%	1.58%
59 Gas Metropolitan	Jan-84	16.10%	11.92%	4.18%
60 Interprovincial	Feb-84	15.25%	12.40%	2.85%
61 Island Tel	Mar-84	15.00%	13.06%	1.94%
62 Nova	Mar-84	15.00%	13.06%	1.94%
63 Island Tel	Mar-84	15.25%	13.06%	2.19%
64 Union Gas	Apr-84	15.60%	13.31%	2.29%
65 TransCanada	Jul-84	15.50%	13.41%	2.09%
66 B.C. Tel	Oct-84	15.75%	12.18%	3.57%
67 TransAlta Util	Nov-84	15.00%	11.81%	3.19%
68 Northern Tel	Dec-84	16.00%	11.66%	4.34%
69 Northern & Central Gas	Dec-84	15.75%	11.66%	4.09%
70 Edmonton Power	Dec-84	15.00%	11.66%	3.34%
71 Nfld Light & Power	Dec-84	15.60%	11.66%	3.94%
72 Bell Canada	Dec-84	13.70%	11.66%	2.04%
73 Inland Natural Gas	Jan-85	15.75%	11.38%	4.37%
74 Gas Metropolitan	Feb-85	16.10%	12.30%	3.80%
75 TransMountain	Mar-85	15.75%	11.93%	3.82%
76 B.C. Tel	Apr-85	14.25%	11.50%	2.75%
77 MT & T	Jun-85	15.00%	10.88%	4.12%
78 TransCanada	Sep-85	14.50%	10.96%	3.54%
79 Consumer Gas	Sep-85	15.00%	10.96%	4.04%
80 N.B. Tel	Sep-85	13.50%	10.96%	2.54%
81 TransAlta Util	Nov-85	14.50%	10.34%	4.16%
82 TransAlta Util	Nov-85	14.75%	10.34%	4.41%
83 Northern Tel	Dec-85	14.50%	10.06%	4.44%
84 Alberta Power Ltd	Dec-85	17.00%	10.06%	6.94%
85 Cdn Western Natural Gas	Dec-85	15.25%	10.06%	5.19%
86 Alberta Power Ltd	Dec-85	14.75%	10.06%	4.69%
87 Cdn Western Natural Gas	Dec-85	15.50%	10.06%	5.44%
88 Edmonton Power	Dec-85	15.00%	10.06%	4.94%
89 Westcoast (Mainline)	Aug-86	13.75%	9.16%	4.59%
90 TransMountain	Sep-86	14.25%	9.45%	4.80%
91 Edmonton Power	Dec-86	14.75%	9.23%	5.52%
92 Northwestern Util	Feb-87	14.00%	9.10%	4.90%
93 Northwestern Util	Feb-87	13.50%	9.10%	4.40%
94 Alberta Power Ltd	Apr-87	13.00%	9.82%	3.18%
95 Alberta Power Ltd	Apr-87	13.00%	9.82%	3.18%
96 TransCanada	May-87	13.25%	9.92%	3.33%

97 Northern Tel	Jun-87	13.90%	9.78%	4.12%
98 Interprovincial	Jun-87	13.25%	9.78%	3.47%
99 Nfld Tel	Jul-87	13.70%	10.23%	3.47%
100 Island Tel	Oct-87	13.50%	10.21%	3.29%
101 Westcoast (Mainline)	Nov-87	13.50%	10.50%	3.00%
102 Westcoast (Mainline)	Nov-87	13.75%	10.50%	3.25%
103 Northern Tel	Feb-88	13.90%	9.61%	4.29%
104 Northwestern Util	Mar-88	13.25%	10.13%	3.12%
105 TransCanada	Jun-89	13.75%	9.60%	4.15%
106 Edmonton Power	Dec-89	13.50%	9.69%	3.81%
107 TransAlta Util	Dec-89	13.50%	9.69%	3.81%
108 Alberta Power Ltd	Dec-89	13.50%	9.69%	3.81%
109 TransAlta Util	Dec-89	13.50%	9.69%	3.81%
110 TransAlta Util	Dec-89	13.50%	9.69%	3.81%
111 Alberta Power Ltd	Dec-89	13.50%	9.69%	3.81%
112 Westcoast (Mainline)	Jan-90	13.25%	10.04%	3.21%
113 TransCanada	Mar-90	13.25%	10.91%	2.34%
114 Cdn Western Natural Gas	Jul-90	13.25%	10.78%	2.47%
115 Cdn Western Natural Gas	Jul-90	13.50%	10.78%	2.72%
116 Cdn Western Natural Gas	Jul-90	13.25%	10.78%	2.47%
117 MT & T	Dec-90	13.50%	10.51%	2.99%
118 Westcoast (Mainline)	Jan-91	13.75%	10.22%	3.53%
119 TransCanada	Sep-91	13.50%	9.59%	3.91%
120 TransAlta Util	Dec-91	13.25%	8.97%	4.28%
121 TransAlta Util	Dec-91	13.50%	8.97%	4.53%
122 Edmonton Power	Dec-91	13.25%	8.97%	4.28%
123 Northwestern Util	Feb-92	13.75%	8.97%	4.78%
124 Northwestern Util	Feb-92	13.75%	8.97%	4.78%
125 TransCanada	Mar-92	13.25%	9.28%	3.97%
126 Alberta Power Ltd	May-92	13.25%	9.17%	4.08%
127 Alberta Power Ltd	May-92	13.50%	9.17%	4.33%
128 TransMountain	Jun-92	12.50%	8.87%	3.63%
129 Interprovincial	Jun-92	12.50%	8.87%	3.63%
130 Westcoast (Mainline)	Aug-92	12.50%	8.19%	4.31%
131 Nfld Tel	Aug-92	12.50%	8.19%	4.31%
132 Alberta Nat Gas	Sep-92	12.00%	8.53%	3.47%
133 N.B. Tel	Dec-92	12.00%	8.54%	3.46%
134 TransCanada	Feb-93	12.25%	8.19%	4.06%
135 Cdn Western Natural Gas	Feb-93	12.25%	8.19%	4.06%
136 Bell Canada	Aug-93	11.50%	7.40%	4.10%
137 AGT	Oct-93	11.75%	7.35%	4.40%
138 N.W. Tel	Dec-93	12.25%	7.12%	5.13%
139 B.C. Tel	Jan-94	11.75%	6.86%	4.89%
140 Island Tel	Mar-94	12.00%	8.25%	3.75%

MEAN 1980-1994

14.57%

11.24%

3.33%

MEAN 1985-1994

3.97%

whole period

Regression Output:

Constant	0.08373
Std Err of Y Est	0.008304
R Squared	0.533529
No. of Observations	140
Degrees of Freedom	138

X Coefficient(s)	-0.44862
Std Err of Coef.	0.035708
	-12.5634

1983-1994

Regression Output:

Constant	0.070073
Std Err of Y Est	0.007771
R Squared	0.253652
No. of Observations	109
Degrees of Freedom	107

X Coefficient(s)	-0.31076
Std Err of Coef.	0.051534
	-6.03032