

1 **Q. Please provide complete citations for the “academic evidence” referred to at page**  
2 **50, line 1.**

3  
4 A. The following published studies demonstrate that, beginning in 1980, risk premiums varied  
5 inversely with the level of interest rates, rising when interest rates fell and declining when  
6 interest rates rose:  
7

8 Brigham, E.F., Shome, D.K., and Vinson, S. R. "The Risk Premium Approach  
9 to Measuring a Utility's Cost of Equity." *Financial Management*, Spring 1985,  
10 33-45.

11 Harris, R.S. "Using Analysts' Growth Forecasts to Estimate Shareholder  
12 Required Rates of Return." *Financial Management*, Spring 1986, 58-67.

13 Harris, R.S. and Marston, F.C. "Estimating Shareholder Risk Premia Using  
14 Analysts' Growth Forecasts." *Financial Management*, Summer 1992, 63-70.

15 Maddox, F.M., Pippert, D. T., and Sullivan, R.N. "An Empirical Study of Ex  
16 Ante Risk Premiums for the Electric Utility Industry" *Financial Management*,  
17 Autumn 1995, 89-95.