

1 **Q. Please provide all evidence showing that the electric utilities listed in RAM-4 were**  
2 **“wires utilities” during the period of these beta measures. Also, if you are aware of**  
3 **additional electric utilities that are “wires utilities” today, please list them.**  
4

5 A. Dr. Morin examined the beta risk measure of a sample of distribution electric utilities  
6 from the Value Line Investment Survey. The sample of investor-owned electric utilities  
7 covered by Value Line was ranked in descending order on the basis of percentage of  
8 assets devoted to distribution as reported in FERC Form 1. The distribution group was  
9 defined as the top quintile of companies, that is, those with the largest distribution assets  
10 as a percentage of total assets. The betas for each company for each year from 1992-  
11 1997 were drawn directly from the Value Line Investment Survey for Windows CD-  
12 ROM.  
13

14 According to Moody’s Sourcebook, Power and Energy Company, October 2002, electric  
15 utilities are classified into two broad groups: Vertically Integrated Companies and  
16 Transmission & Distribution Companies. A list of the latter group of companies is  
17 provided as Attachment A.