

1 **Q. Evidence of Dr. Vander Weide: ROE formula Pages 14-17: Dr. Vander Weide**
2 **refers to a two step process in establishing the allowed ROE under the Board's**
3 **formula. Would Dr. Vander Weide accept that any ROE can always be broken out**
4 **onto the risk free return and a risk premium simply by subtracting the risk free**
5 **rate?**

6
7 A. Yes.