

- 1 **Q. Reference: Dr. Booth’s Evidence, Appendix C, Page 2, Lines 12-13**  
2  
3 **Given Dr. Booth’s position that “the risk of a firm or industry changes much**  
4 **more than the overall risk of the market,” how does he support his consistent**  
5 **use of a beta coefficient from 0.45 to 0.55 for regulated utilities?**  
6
- 7 **A.** That’s Dr. Booth forward estimate of a Canadian utility’s risk and will change if  
8 either the degree of regulatory protection in Canada changes, there is change in  
9 capital recovery risk or an indication that market risk has changed on a forward  
10 basis.