

1 **Q. Evidence of Ms. McShane Capital Structure principles Pages 9 – 11: If a utility in**
2 **another jurisdiction has a higher allowed ROE due to regulatory lag would Ms.**
3 **McShane accept this ROE as part of her peer ROEs?**
4

5 A. Ms. McShane would not blindly accept allowed ROEs that date to earlier periods;
6 whether or not they would be reasonable comparators would depend on the factual
7 circumstances.