

- 1 **Q. Evidence of Ms. McShane, relative risk adjustments, Pages 56-61: Please confirm**
2 **that in the regression models on page 61 and 62 that even including an interest rate**
3 **factor the beta or market factor is still less than 0.50 for utilities.**
4
5 A. It is confirmed that the coefficient on the market variable is less than 0.50 in both
6 regressions.