

1 **Q. McShane Evidence – Ms. McShane, at p. 15 of the October 20, 2009 Newfoundland**
2 **Power General Rate Application transcript, stated that she gave approximately**
3 **25% weight to her comparable earnings test. What weight does she give to that test**
4 **in this proceeding?**
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6 A. The principal approach used by Ms. McShane gives no weight to the comparable
7 earnings test, as summarized at pages 3-4 of her testimony. She did, however, provide an
8 alternative approach to estimating the fair ROE, which further supported the
9 recommended ROE of 10.5%, which gave 25% weight to the comparable earnings test.
10 Please see also the response to CA-NP 273.