

1 Q. Reference: CA-NP-51

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3 Can NP answer this RFI given that there is a functioning Canadian preferred share
4 market?

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6 A. For Canadian electric utility financing, preferred shares with a fixed coupon rate and
7 perpetual term do not appear to be currently marketable in Canadian capital markets.
8 Therefore, Newfoundland Power is not in a position to determine a “fair cost” in either
9 alternative suggested.

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11 In addition, this Request for Information and Request for Information CA-NP-051 require
12 Newfoundland Power to model scenarios that assume the Company will defy a clear
13 direction of the Board. Performing such information is not, in Newfoundland Power’s
14 view, necessary for the purpose of the Consumer Advocate gaining a satisfactory
15 understanding of the matter to be considered in this proceeding within the meaning of the
16 *Board of Commissioners of Public Utilities Regulations, 1996*.

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18 Please see the responses to Requests for Information CA-NP-050, CA-NP-051,
19 CA-NP-272 and CA-NP-273.