

1 **Q. Please provide NP’s DBRS and Moody’s bond ratings since 1990 and reference any**
 2 **statements made either when they were changed or the Board set the common**
 3 **equity ratio to a range of 40-45% in 1991.**
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5 A. Newfoundland Power’s bonds are rated by DBRS Limited (“DBRS”) and Moody’s
 6 Investors Service (“Moody’s”). Moody’s has rated the Company since 2005.
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8 Table 1 provides Newfoundland Power’s bond ratings from 1990 to 2020.

**Table 1:
Bond Ratings
1990 to 2020**

Year	Bond Rating DBRS	Bond Rating Moody’s
1990	A(High)	n/a
1991	A(High)	n/a
1992	A(High)	n/a
1993	A(High)	n/a
1994	A(High)	n/a
1995	A(High)	n/a
1996	A	n/a
1997	A	n/a
1998	A	n/a
1999	A	n/a
2000	A	n/a
2001	A	n/a
2002	A	n/a
2003	A	n/a
2004	A	n/a
2005	A	Baa1
2006	A	Baa1 ¹
2007	A	Baa1
2008	A	Baa1
2009	A	A2
2010	A ¹	A2
2011	A	A2
2012	A	A2 ¹
2013	A	A2
2014	A	A2
2015	A	A2
2016	A	A2
2017	A	A2
2018	A	A2
2019	A	A2
2020	A	A2

¹ No rating report issued in the year. Credit rating shows no change from the previous rating reports.

1 In 1996, DBRS downgraded Newfoundland Power’s bond rating from A(High) to A. In
2 its January 8, 1996 rating report, DBRS stated:

3
4 *“1995 will mark the fifth straight year that NLP has not experienced any*
5 *earnings growth, which is not indicative of an “A(high)” rating. The lack*
6 *of earnings growth is due to the slow growth of the economy and the*
7 *resulting sluggish growth in demand for power over the past several*
8 *years, a trend which is expected to continue given the unfavourable*
9 *economic outlook.”²*

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11 In 2009, Moody’s upgraded Newfoundland Power’s bond rating from Baa1 to A2.
12 Moody’s also assigned a Baa1 issuer rating to Newfoundland Power. This was due to a
13 change in Moody’s rating methodology, which also affected the majority of secured debt
14 ratings of investment-grade regulated utilities.

² See the *DBRS Bond and Preferred Share Ratings* report dated January 8, 1996.