

1 **Q. Evidence of Ms. McShane, bond ratings/credit metrics, Pages 18-23: Please confirm**  
2 **that Newfoundland Power is regarded as “ring fenced” and explain what this means**  
3 **for its bond rating and the assessment of credit risk.**  
4

5 A. Confirmed. A utility that is “ring fenced” within a holding company structure is  
6 considered to be insulated from the activities of its parent or affiliated companies. As  
7 such, its bond ratings and credit risk are assessed on a stand-alone basis.