

1 **Q. Reference Answer of Dr. Vander Weide to CA-NP-208:**

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3 **Please confirm that S&P will not rate an operating subsidiary higher than its parent**
4 **unless it is ring fenced so, for example, the ratings attached to Union Gas are that**
5 **for Spectra and that for NSPI for Emera. If not, why not?**
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7 A. Dr. Vander Weide confirms that Standard & Poor's states that it will generally not rate an
8 operating subsidiary higher than its parent unless the subsidiary is ring fenced. He does
9 not know whether Standard & Poor's considers Union Gas and Nova Scotia Power to be
10 ring fenced. Hence, he does not know whether ratings attached to Union Gas are for
11 Spectra or whether the ratings for NSPI are for Emera.