

1 **Q. Reference: page 34, lines 697-710**

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3 **Mr. MacDonald lists his criteria for the selection of a sample of U.S. utilities of**  
4 **comparable risk to Newfoundland Power and then lists the companies selected.**

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6 **Please confirm that four of the five utilities in Ms. McShane's sample that are not in**  
7 **Mr. MacDonald's sample were eliminated because they had higher Moody's credit**  
8 **ratings than Newfoundland Power.**

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10 **A.** Mr. MacDonald's selection criteria were slightly different from Ms. McShane's, both in  
11 terms of credit ratings and percentage of regulated assets. Mr. MacDonald limited his  
12 sample to utilities with the same credit rating as Newfoundland Power and required  
13 regulated assets to be in excess of 85%. Several of the utilities present in Ms. McShane's  
14 sample do have higher Moody's credit ratings than Newfoundland Power.