

IN THE MATTER OF the *Electrical Power Control Act*, RSNL 1994, Chapter E-5.1 (the “*EPCA*”) and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the “*Act*”) as amended, and their Subordinate regulations;

AND IN THE MATTER OF a General Rate Application (the “Application”) by Newfoundland Power Inc. (“*NP*”) to establish customer electricity rates for 2008.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NP-8 to PUB-NP-31

Directed To Newfoundland Power (NP) Witness Kathleen McShane

August 27, 2007

PUB-NP-8

On electronic spreadsheet with all formula intact, please provide a copy of all analyses and work papers used in support of Ms. McShane's direct testimony, appendices and exhibits.

PUB-NP-9

Please provide copies of all correspondence, presentations and all other materials that NP provided to credit and equity analysts over the last two years.

PUB-NP-10

Please provide copies of all credit reports published by Standard & Poor's, Moody's and DBRS for Newfoundland Power issued over the last two years.

PUB-NP-11

Referring to page 2 of Ms. McShane's direct testimony, please provide a copy of the Foreign Property Rule and a copy of all studies reviewed by Ms. McShane that address the impact on foreign issuers and investors to the Canadian Capital Market.

PUB-NP-12

Referring to page 10, line 275 of Ms. McShane's direct testimony, please provide Moody's report issued July 2005.

PUB-NP-13

Referring to page 11 of Ms. McShane's direct testimony, please provide the documents referred to in Footnotes 3 through 6.

PUB-NP-14

At page 16 of her direct testimony, Ms. McShane states that the BBB-A utility spread in Canada is 175 bps and 85 bps in the U.S. Please provide a copy of all work papers and supporting documents in support of this testimony.

PUB-NP-15

Referring to page 17 of Ms. McShane's direct testimony, please provide the documents referred to in Footnote 10.

PUB-NP-16

Referring to pages 18-19 of Ms. McShane's direct testimony, please provide the documents referred to in Footnotes 13 through 17.

PUB-NP-17

At page 20 of her direct testimony, Ms McShane uses a table to outline the guidelines for an A rating. Please provide the source(s) used to derive the ratios included in this table.

PUB-NP-18

Referring to page 21 of Ms. McShane's direct testimony, please provide the documents referred to in Footnote 21.

PUB-NP-19

At page 25 of her direct testimony, Ms. McShane states that "both DBRS and S&P have commented on the high leverage of Canadian utilities" and their low allowed return on equity. Please provide copies of all credit reports or other work papers in support of this testimony.

PUB-NP-20

Referring to page 25 of Ms. McShane's direct testimony, please provide the documents referred to in Footnote 23.

PUB-NP-21

Please provide all credit reports referred to in Section III. F. 2., pages 25 through 27 of Ms. McShane's direct testimony.

PUB-NP-22

Referring to page 28 of Ms. McShane's direct testimony, please provide the documents referred to in Footnotes 25 though 27.

PUB-NP-23

Referring to page 33 of Ms. McShane's direct testimony, please provide the Consensus Forecast used to derive the risk free rate discussed in lines 889 to 893.

PUB-NP-24

Concerning Ms. McShane's financing flexibility adjustment described in section V. D. of her direct testimony, please identify all Canadian jurisdictions where she proposed such an adjustment to the return on equity estimate and include: jurisdiction, utility, docket number and date of commission order. Please state explicitly whether the commissions have approved such an adjustment to the return on equity as proposed by Ms. McShane.

PUB-NP-25

Referring to page 61 of Ms. McShane's direct testimony, please provide the sources referred to in Footnote 64.

PUB-NP-26

Referring to page 62 of Ms. McShane's direct testimony, please provide the documents referred to in Footnote 65.

PUB-NP-27

Please provide Standard & Poor's credit rating financial metric estimates based on Newfoundland Power's cost of service for regulated operations including its proposed capital structure but at a return on equity with the range of 8.5% to 10.5%. Please provide all electronic copies with all work papers and supporting documents used to produce these credit rating financial metric estimates.

PUB-NP-28

Please provide Standard & Poor's financial published guidelines that compare the financial metrics calculated in response to 22 above to the benchmarks for Newfoundland Power's current bond rating with a business profile score of both 3 and 2.

PUB-NP-29

Please describe the results of Ms. McShane's DCF analysis for Newfoundland Power and describe how they compare to Newfoundland's last authorized return on equity, and the return on equity for other Canadian utilities over the last year.

PUB-NP-30

Please replicate Ms. McShane's equity risk premium study using the actual Canadian bond yield at the time she filed her testimony. Please also describe how this updated equity risk premium compares to the results included in her testimony.

PUB-NP-31

Please estimate what the point estimate return on equity would be if Ms. McShane applied a 50% weight to her equity risk premium and a 50% weight to a discounted cash flow analysis and no weight to her comparable earnings analysis.

DATED at St. John's, Newfoundland this 27th day of August 2007.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per Original signed by
Cheryl Blundon
Board Secretary