

Requests for Information

1 **Volume 1, Section 3 – Finance**

2
3 **Q. (Exhibit 5: Financial Performance: 2002 to 2008, page 3 of 8)**

4
5 **Please describe the nature of the short-term borrowings in line 45, and (b) compare**
6 **the average annual cost rate for these short-term borrowings with the average**
7 **annual interest rate paid on the Company’s long-term debt, for each of the years**
8 **2002 through forecast 2008.**

9
10 A. Newfoundland Power has unsecured bank credit facilities of \$120 million, comprised of
11 a syndicated \$100 million committed credit facility which matures on January 20, 2009
12 and a \$20 million uncommitted demand facility. Short-term borrowings generally
13 consist of bankers’ acceptances under the committed facility and demand loans issued
14 against the uncommitted demand facility.

15
16 The annual average short term borrowing rate for each of the years 2002 through forecast
17 2008 is as follows:

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19

2002	2.75%
2003	3.20%
2004	2.52%
2005	3.27%
2006	4.62%
2007F	4.91%
2008E	5.75%

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27 The annual average cost of long term debt for each of the years 2002 through forecast
28 2008 is as follows:

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2002	8.76%
2003	9.19%
2004	9.19%
2005	8.77%
2006	8.62%
2007F	8.55%
2008E	7.90%

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