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Q: NP-CA-49 Reference: Page 31, Lines 11-12

Dr. Cannon states that Newfoundland Power’s 30-year bonds are currently being priced to yield about 130 bps over 30-year Canada’s. What is the corresponding spread for similar maturity Union Gas and Enbridge Gas bonds?

A: Dr. Cannon does not know the answer to this question because he did not ask his sources for this information. The reason he did not ask is that his evidence is focused on comparing the equity-investment riskiness of various Canadian utilities and not the risk exposure of the bondholders.