Q. Reference pages 29-30: ERP Estimates: Please confirm that Mr. MacDonald has read the Moody’s reports that indicate the greater regulatory risks in the US than Canada, that 50% of Moody’s weight is placed on this risk and that Mr. MacDonald has chosen to ignore this. If not please indicate where he has assessed the regulatory risk of his sample of U.S. utilities as comparables to ensure that their regulation and overall risk is identical to that of NP.

A. Mr. MacDonald confirms that he has read the Moody’s report. Further Mr. MacDonald notes that his ERP estimate is based on Canadian data; no US data was utilized in the determination of the ERP.