Q. NP indicates that as compared to 2016 for 2017 its borrowing under its committed line of credit had dropped from $60.5 million to $12 million while the credit facility has been renewed for a further 5 years. For the 2019-2020 test years, does NP anticipate any pressures on its available liquidity?

A. The reduction in credit facility borrowings in 2017 is due to the issuance of Series AP First Mortgage Sinking Fund Bonds in June 2017.

Newfoundland Power's current credit facility arrangements are expected to continue to be adequate through 2019 and 2020 to fund day-to-day operations of the Company. This is supported by Moody's Investor Services and DBRS. Both credit rating agencies have stated in their annual credit reviews that the Company's liquidity arrangements are considered adequate.[1]

[1] Refer to *Exhibit 4, DBRS Credit Report*, Page 5 and *Moody's Investor Services Credit Report,* Page 5.