

- 1 **Q. Reference: Dr. Cleary's Evidence, Page 32, Line 10 to Page 36, Line 2**  
2  
3 **Does Dr. Cleary's analysis on Pages 33-35 of his evidence consider the**  
4 **possibility that the proposed reduction in Newfoundland Power's equity ratio**  
5 **from 45.0 percent to 40.0 percent may result in a downgrade in the Company's**  
6 **credit rating from Moody's and/or DBRS? If not, why not?**  
7
- 8 **A.** Dr. Cleary does not believe the proposed reduction of the equity ratio to 40%, which  
9 is still above average, would result in any credit downgrades. Please refer to the  
10 response to PUB-CA-021 for additional details supporting this assertion.