

1 **Q. Please discuss any instances where NP has approached its investment banker since**
2 **2000 and been advised that the bond markets were not receptive to an issue by NP**
3 **and how NP arranged alternative financing.**
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5 A. Generally, Newfoundland Power has not experienced issues in raising capital since 2000.
6 However, in March 2020 as a result of the COVID-19 pandemic, the Company was
7 advised by its investment banker that bond investors were not receptive to a bond issue
8 by Newfoundland Power at that time.¹
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10 The relatively small size of the Company's bond issues inherently limits the number of
11 investors that have participated in, or would be likely to participate in, Newfoundland
12 Power bond offerings. The Company's issuances of long-term first mortgage bonds
13 typically do not meet the minimum size threshold for inclusion in the widely traded bond
14 indices.² Issuances below this threshold reduce the number of potential debt investors for
15 the Company. The number of investors in Newfoundland Power bonds issued since 2000
16 range from 2-5 investors per issuance.

¹ Subsequently, in April 2020 the Company issued \$100 million Series AQ First Mortgage Bonds. See the 2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 3.3.2: Risk Assessment, page 3-37.

² See the 2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 3.3.2: Risk Assessment, page 3-37.