

1 **Section 3: Finance/Fair Return**
2

3 **Q. (Section 3)**

4 **a) Please indicate the terms of Newfoundland Power's last five debenture issues**
5 **including size, term, all in cost, and premium over equivalent term Canada**
6 **bonds.**

7 **b) On June 2, 2018 (sic), Newfoundland Power issued \$75 million first mortgage**
8 **bonds at 3.815%. Has Newfoundland Power been able to issue 40-year bonds**
9 **both prior to 2018 and subsequently?**

10
11 A. a) Table 1 provides the requested information related to the Company's last five first
12 mortgage sinking fund bond issuances.

**Table 1:
First Mortgage Sinking Fund Bonds**

| Bond Series | Issue Date | Amount | Term | Benchmark Canada Bond Yield | Credit Spread | Issue Yield |
|--------------------|-------------------|---------------|-------------|--|--------------------------|--------------------|
| Series AO | 2015 | \$75 million | 30 years | 2.296% | 2.15% | 4.446% |
| Series AP | 2017 | \$75 million | 40 years | 2.065% | 1.75% | 3.815% |
| Series AQ | 2020 | \$100 million | 40 years | 1.377% | 2.231% | 3.608% |
| Series AR | 2022 | \$75 million | 30 years | 2.448% | 1.75% | 4.198% |
| Series AS | 2023 | \$90 million | 30 years | 3.422% | 1.70% | 5.122% |

13 b) Newfoundland Power also issued Series AQ first mortgage bonds in 2020 with a term
14 of 40 years, as detailed in part a) to this Request for Information. Other than
15 Series AP and Series AQ, the Company has not issued any bonds with a maturity of
16 40 years.

17
18 The Company's ability to issue 40-year bonds would be dependent on capital market
19 conditions at that time.