

- 1 **Q. Reference: Dr. Booth Evidence, Page 70, Lines 1-10**  
2  
3 **What does Dr. Booth believe to be the most important factor considered by**  
4 **Moody's and DBRS in determining Newfoundland Power's credit rating?**  
5
- 6 **A.** The fact that NP is a regulated local distribution company operating in Canada with  
7 a favourable regulatory climate. No other sector of the economy can take a risk that  
8 materializes and damages their ROE and put it in a deferral account to be recovered  
9 from future customers.