

1 Q. Did the development by Newfoundland Power of the Rose Blanche Brook
2 affect Newfoundland Hydro's revenues in any way?

3

4 A. Hydro's revenues have been lower then they otherwise would have been
5 since the in-service of the Rose Blanche development because of reduced
6 sales to Newfoundland Power, however, Hydro's net income has been
7 virtually unaffected because reduced sales have been offset by fuel costs
8 savings and Rate Stabilization Plan activity.