

1 Q. The D.B.R.S. Report (October 2000) as found in IC-53 - Newfoundland and
2 Labrador Hydro - states on page 2:

3

4 "The Utility has \$96 million in realized foreign exchange losses. This
5 amount is expected to be recovered in future rates."

6

7 Please provide specifics as to how the utility intends to recover the amount of
8 \$96 million in future rates?

9

10 A. Please see NP-79 regarding the future amortization of the realized foreign
11 exchange losses and sections 17(3)(b) and (e) of the Hydro Corporation Act
12 which specifies in (e) that the amortization would be based on 40 years
13 "commencing in the year when the corporation's rates are first altered under
14 the Public Utilities Act in which the amortization is included in rates at a Rate
15 Hearing".