

Via Telecopier

July 17, 2003

Board of Commissioners of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, Newfoundland
A1A 5B2

Attention: Ms. Cheryl Blundon
Board Secretary

Ladies & Gentlemen:

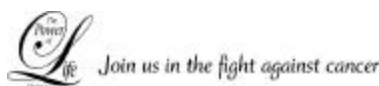
**Re: Newfoundland & Labrador Hydro Corporation
2003 General Rate Application**

This is in reply to the Board's letter dated July 16, 2003 requesting Newfoundland Power's position on the motion of the Town of Labrador City for a preliminary ruling that it is entitled to the costs of its intervention in the above-noted proceeding (the "Motion").

Newfoundland Power's position is that the Motion is premature and that the matter of costs ought to be considered at the conclusion of the hearing.

In its oral submissions on the Motion, Newfoundland Power will rely on the cases noted in Hydro's letter dated July 16, 2003, copies of which were enclosed with Hydro's letter.

A copy of this letter has been emailed to the parties indicated below.



Board of Commissioners
of Public Utilities

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Yours very truly,

Peter Alteen
Corporate Counsel
and Secretary

c. Ms. Maureen P. Greene, Q.C.
Newfoundland and Labrador Hydro

Mark Kennedy
Board Hearing Counsel

Janet Henley-Andrews, Q.C./Joseph S. Hutchings, Q.C.
Counsel to the Industrial Customers

Dennis Browne, Q.C.
Consumer Advocate

Edward Hearn, Q.C.
Counsel to Town of Labrador City

