

1 Q. In response to CA-112 NLH, NLH has indicated that the revenue requirement
2 would lessen as a result of the referenced U.S./Canada exchange rate
3 differential and its impact on the price of Number 6 fuel. Please quantify the
4 actual reduction in revenue requirement based on exchange rates in the US
5 \$0.71 to US \$0.74 range.

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8 A. Assuming an exchange rate of 0.71 the Canadian price would be \$27.14 per
9 barrel which would result in an approximate \$6.0 million reduction in revenue
10 requirement. If the exchange rate is 0.74 then the Canadian price would be
11 \$26.04 per barrel and the reduction in revenue requirement would be
12 approximately \$9.1 million.