

Q. NLH-128 CA (Re: Page 10, lines 1-2)

Dr. Kalymon states, “demand for Hydro has been very stable and growing over the past decade and has not imposed any significant volatility on Hydro operations”. In light of the experienced and expected population decline in Newfoundland and Labrador, please comment on demand for Hydro in the future.

A. **Forecast of population decline are neither certain nor the decline imminent. In addition, a company regulated on a cost basis may pass on the cost of service to customers. Consequently, the risk arising from population decline would not be viewed as significant by the markets.**