

NLH-160 PUB (Re: Page 12, lines 4-6)

Dr. Waverman states: "As a Crown corporation, the owners are the Province's government and citizens. This fact should tend to ease Hydro's ability to recover its just and reasonable costs in rates". Please explain how the fact that Hydro is a Crown corporation, tends to ease Hydro's ability to recover its just and reasonable costs.

- A. As a Crown corporation, owned by the Province's citizens and not owned by common stock equity investors who acquire shares in the open capital markets of the world, there should be less conflict between ratepayers and owners than is the case for an IOU.