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VIA FACSIMILE

October 31, 2006

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

Attention: G. Cheryl Blundon
Director of Corporate Services
and Board Secretary

Ladies and Gentlemen:

**Re: Application for Approval of Service Agreement and Rates for
new Island Industrial Customer, Aur Resources Inc.**

Newfoundland Power has reviewed the proposed agreement among Newfoundland & Labrador Hydro, Aur Resources, Industrial Customers and the Consumer Advocate consenting to the disposition of this matter in accordance with that agreement.

Newfoundland Power does not object to the application being disposed of in accordance with that agreement.

If you have any questions, please contact the undersigned at your convenience.

Yours very truly,



Gerard Hayes
Senior Counsel

c. Wayne Chamberlain & Geoffrey Young
Newfoundland & Labrador Hydro

Thomas Johnson
O'Dea Earle Law Offices

Joseph Hutchings, Q.C.
Poole Althouse

Paul Coxworthy
Stewart McKelvey

Gordon Oldford
Abitibi-Consolidated

Kevin Goulding
Deer Lake Power



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