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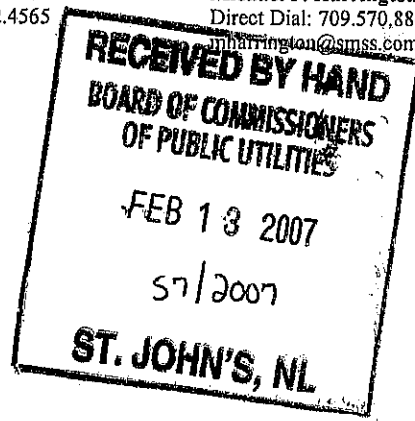
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February 13, 2007

Board of Commissioners of Public Utilities  
P.O. Box 21040  
Suite E210, Prince Charles Building  
120 Torbay Road  
St. John's NL A1A 5B2



**Attention: Cheryl Blundon, Board Secretary**

Dear Commissioners:

**Re: Burgeo School - Preferred Electrical Rate, Detrimental Effect on NL Hydro Rate Application**

We act as solicitors for the Western School District.

In the general rate application of Newfoundland and Labrador Hydro to the Board, the Applicant, NL Hydro, has specifically requested that the preferred rate for the Burgeo School be deleted.

It is our understanding that the hearing before the Board is in its final phase whereby those parties that have had an opportunity to intervene and appear are making their final submissions this week.

It is our submission that the Western School District which has oversight of the Burgeo School is a stakeholder that is directly affected by the application and the decision of the Board.

We have advised our client that we believe our client has not had a full and fair opportunity to be heard with regard to this matter. The School Board was in contact with the Consumer Advocate, Thomas Johnson of the law firm of O'Dea, Earle, when it first received an indication of the proposed deletion sought by NL Hydro and was advised that it was too late to make submissions before the public hearings of the Board and that it could merely make a written submission and that it needed to do so as soon as possible in light of the fact that the application was now at the final stages of consideration.

Our client is making a written submission outlining its concerns with regard to this matter although it feels that it ought to have been at least given the opportunity to avail of the services of the Consumer Advocate, Mr. Johnson, to make submissions in person to the Board at its hearing.

As you will see from our client's submission, the School Board is vigorously seeking a rejection of the NL Hydro request in this application. Our client maintains that a valid contract must not be broken, and that the special rate established in this contract should be continued. At the same

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time our client wishes to register its concern that steps should have been taken by NL Hydro from the outset to ensure that timely notice was given to our client before this application was considered.

Yours truly,

Stewart McKelvey

A handwritten signature in cursive script that reads "M. Harrington" followed by a diagonal slash and the initials "MEK".

Michael F. Harrington

MFH/mek