In reference to Schedule "B", page 13 of 82 – the Pen Stock Replacement at the Lockston Hydro-Electric Plant – at a project cost of \$1,520,000:

Q. Please provide the costs which have been incurred since 1991 for ad hoc repairs and the dates and times of same.

A. Newfoundland Power tracks the operating costs associated with hydroelectric plants on a plant-by-plant basis and not by individual component (such as penstocks). In recent years, the Company has spent an estimated \$5,000-\$8,000 annually in operating expenses related to penstock maintenance at the Lockston Hydroelectric Plant. The economic analysis of this facility, submitted in response to the Public Utilities Board Request For Information PUB 3.1, and referenced in the response to CA 16(c), assumes a reduction in annual operating costs at this plant of \$5,000 annually as a result of the penstock replacement.

The Company is not aware of any material capital expenditures related to the penstock at the Lockston Hydroelectric Plant since 1991.