In reference to Schedule "B", page 15 of 82, the purchase of portable diesel generation at a project cost of \$1,500,000:

Q. Please provide any and all correspondence between Newfoundland and Labrador Hydro and Newfoundland Power indicating Hydro's consent and comments in reference to the purchase of this portable diesel unit.

A. Through regular discussion between Company officials and representatives from Newfoundland and Labrador Hydro, Newfoundland and Labrador Hydro is aware of the Company's intention to purchase a portable diesel unit in 2003; however, no formal correspondence has been issued.