

**In reference to Schedule “B”, page 45 of 82, please provide the rationale for the Aliant pole purchase as follows:**

**Q. What financial benefits have consumers received through the Aliant pole purchase?**

A. The principal financial benefit consumers receive through the Aliant pole purchase results from the fact that increased support structure rentals received by Newfoundland Power will exceed all costs (including Newfoundland Power’s cost of capital) incurred as a result of the purchase. This excess of revenue (i.e., increased rentals) over cost serves to decrease Newfoundland Power’s revenue requirements from electricity rates. This decrease is a financial benefit to consumers.