

In reference to Schedule “B”, page 62 of 82:

Q. Please advise of what discussions, if any, are taking place between the Company and Newfoundland Hydro re Hydro’s proposed purchase of a VHF mobile radio system.

A. There are no formal discussions between Newfoundland Power and Newfoundland Hydro concerning Newfoundland Hydro’s proposed purchase of a VHF mobile radio system.