

General

Q. Ref: Reply to PUB-4 NP. Explain why external professional consulting fees are accounted for under both “Engineering” and “Other”.

A. In compliance with Board Order No. P.U. 36 (2002-2003), Schedule C, Page 1 Newfoundland Power provided a breakdown of engineering costs for projects in its 2004 Capital Budget. These costs are incurred when staff or consultants undertake engineering tasks as outlined in Response to Request for Information PUB-004 NP

Professional consulting fees associated with engineering tasks are included in “Engineering” in compliance with the order noted above. All other non-engineering professional fees have been allocated to the “Other” category.