

**General**

**Q. Ref: PUB-135 NP. Is the purchase price of the Fortis poles at book value. If so, is the book value the same book value as detailed in NP's 2001 Pole Purchase Application.**

**A.** The purchase price of poles sold by Fortis to Newfoundland Power, and vice versa, is at Structural Value. Structural Value is established according to the age of the individual poles pursuant to identical tables contained in both the Joint Use Facilities Partnership Agreement between Newfoundland Power and Aliant and the Non Joint Use Facilities Partnership Agreement between Fortis and Aliant. The Structural Value is derived from the net book value of the poles as detailed in the Company's 2001 Pole Purchase Application.