

1 **Q. What does the \$100,000 litigation expense referred to at footnote 61 of p. 2-21 relate**
2 **to?**

3
4 A. The litigation expense refers to legal costs associated with the City of St. John's notice to
5 terminate Newfoundland Power's lease of water rights in the Mobile River watershed.
6 Following a preliminary ruling by an arbitration panel established to determine the value
7 of assets involved, the City of St. John's applied to the Supreme Court of Newfoundland
8 and Labrador to have the ruling set aside. The City's application was heard in June 2009,
9 and the matter is ongoing.