In Newfoundland Power's May 10, 2007 G.R.A. at page 2, lines 16-17 it stated, 1 Q. 2 "Improved service and cost control are the foundation of customer operations 3 performance of Newfoundland Power." 4 5 (c) Does cost control remain a foundation of customer operations performance 6 of Newfoundland Power? 7 8 **(d)** Please detail the cost controls that Newfoundland Power has in place and 9 explain how the same are reflected in the test year forecast. 10 11 Improved service and cost control remain the foundation of customer operations A. (c) performance at Newfoundland Power. Accordingly, the Company's continuing 12 cost management efforts are focused on the overall impacts on cost and service, 13 14 both short and long-term. The Company's continuing cost management efforts are principally aimed at achieving sustainable cost efficiencies in its operations.¹ 15 16 Please refer to the responses to Requests for Information in CA-NP-85 (1st Revision), 17 (d) CA-NP-87 (1st Revision), CA-NP-104 and CA-NP-129. 18

This approach is consistent with the Company's view of its obligation to serve as a long-term obligation.