

1 **Q. In CA-NP-102 (p. 3 of 3, footnotes 1 to 4), references are made to non-regulated**  
2 **costs which were removed from the 2008 operating expenses provided. Please fully**  
3 **detail what these non-regulated costs were in respect of.**

4  
5 A. Table 1 provides the breakdown of non-regulated expenses excluded from the 2008  
6 operating expenses presented in Exhibits 1 and 2 for the 2010 General Rate Application.  
7  
8  
9

10 **Table 1**  
11 **2008 Non-regulated Expenses**

12	Regular Labour & Standby	\$ 558,000
13	Inter-Company Charges	551,000
14	Miscellaneous	453,000
15	Advertising	22,000
16		
17	<b>Total</b>	<b>\$1,584,000</b>

18  
19  
20  
21 These non-regulated expenses are incurred by Newfoundland Power in its normal course  
22 of business, and are not recognized as operating costs recoverable in customer rates. In  
23 2008, these included the portion of STI amounts in excess of 100% (as per Order No.  
24 P.U. 19 (2003)), executive stock option expenses, promotional and community relations  
25 expenses, advertising, corporate donations and other expenses billed by Fortis Companies  
26 to Newfoundland Power.