

IN THE MATTER OF the *Electrical Power Control Act*, RSNL 1994, Chapter E-5.1 (the “*EPCA*”); and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the “*Act*”), as amended;

AND

IN THE MATTER OF an Application by Newfoundland Power Inc., (“Newfoundland Power”) for an Order pursuant to Section 48 of the *Act*, and all other enabling powers for approval of the sale by Newfoundland Power to Bell Aliant Regional Communications Inc. (“Bell Aliant”) of certain utility poles, anchors and Related Equipment (“Support Structures”);

AND

IN THE MATTER OF an Application by Newfoundland Power, pursuant to Section 28 of the *Board of Commissioners of Public Utilities Regulations, 1996* to re-open the application to receive further evidence.

To: Board of Commissioners of Public Utilities
Suite E210, Prince Charles Building
120 Torbay Road
P.O. Box 12040
St. John’s, NL A1A 5B2
Attention: Ms. G. Cheryl Blundon,
Director of Corporate Services and Board Secretary

CA-NP-01 Please show how the difference in the Incremental Revenues line in Exhibit

10 and PUB-NP-81, Attachment A, was derived providing all assumptions and calculations for all years shown with the exception of 2012.

CA-NP-02 Footnote 1 to PUB-NP-81, Attachment A, states:

“1 The forecast reduction in incremental revenues includes reductions in attachment rental revenues for 2011-2020, offset in 2011 and 2012 by recoveries from Bell Aliant in those years. Forecast cable attachment rates for the forecast period are escalated based on 60% of the CPI Newfoundland Index. Aliant Pole Rental rates for the forecast period are escalated based on 50% of the implicit GDP Index.”

Footnote 1 to Exhibit 10 states:

“1 The forecast reduction in incremental revenues includes reductions in attachment rental revenues for 2011-2020, partially offset by recoveries from Bell Aliant.”

Please confirm whether forecast cable attachment rates and Aliant pole rental rates have been escalated in the same fashion in each document.

CA-NP-03 Footnote 9 to Exhibit 11 states:

“9 The compensation for Newfoundland Power’s continued installation and removal of all the Joint Use Support Structures is subject to review at the end of 2015 to ensure continued benefits to both parties. The Company evaluated the impact of a variation of + / - 25% in the benefit associated with Newfoundland Power’s installation and removal of all Joint Use Support Structures as a result of this review. This

corresponds to an approximate \$400,000 variance in Newfoundland Power's annual charges to Bell Aliant with respect to these services."

Please provide the text of the agreement between Newfoundland Power and Bell Aliant in relation to the review to take place at the end of 2015.

CA-NP-04 How would a dispute in relation to the aforesaid review be resolved?

CA-NP-05 Article 8.5 of the Restated Joint Use Services Agreement (see Attachment A to PUB-NP-4) states:

"The Parties shall complete, prior to September 30, 2015, a review of pricing and service delivery under this Agreement for the period subsequent to September 31, 2015. As a result of such review, this Agreement may be continued for the remaining five (5) years of the term, either on the terms and conditions of this Agreement or as revised by mutual agreement. If the Parties fail to agree as to the terms and conditions for the period subsequent to December 31, 2015 on or before September 30, 2015, this Agreement may be terminated as of December 31, 2015 upon delivery of written notice by either Party to the other on or before October 31, 2015."

Please reconcile this language (which effectively gives either party the right to terminate the Agreement for any reason as at December 31, 2015) with the statement at p. 4 of the Additional Evidence of Newfoundland Power Inc. of August 26, 2011 which states:

"The extension of single party installation and removal of the Joint Use Support Structures through 2020 assures material

additional financial benefits to Newfoundland Power and its customers under the new Joint Use regime.” (italics in original)

DATED at St. John’s, in the Province of Newfoundland and Labrador, this 8th day of September, 2011.



Thomas Johnson
Consumer Advocate
323 Duckworth Street
St. John’s, NL A1C 5X4
Telephone: (709)726-3524
Facsimile: (709)726-9600
Email: tjohnson@odeaearle.nf.ca